

هكذا من الأصل

Herald INTERNATIONAL Tribune



PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Paris, Monday, November 22, 1993

No. 34,441

On Eve of GATT Talks, a Whiff of Agreement

By Tom Buerkle
International Herald Tribune
GENEVA — After seven long years of negotiations to open markets with a new global trade agreement, the scent of a deal is in the air at the home of the talks here.

Meetings between U.S. and European Community officials late last week aimed at settling deep differences over farm trade have raised hopes of a solution. When Sir Leon Brittan, the EC trade commissioner, goes to Washington for talks with the U.S. trade representative, Mickey Kantor, on Monday and Tuesday.

But both sides cautioned against expecting an immediate breakthrough on agriculture or other politically charged issues that threaten to block a trade deal, including Europe's demands to protect its movie industry and Washington's reluctance to ease its grip on trade weapons such as anti-dumping actions.

In Europe, meanwhile, Prime Minister Edouard Balladur said that France would not sign a trade deal without U.S. concessions on agriculture and movies while the chief EC negotiator in the talks, Hugo Pommen, was confidently predicting an agreement.

Clinton Cites Talks As Positive, but Divisions Remain

Pacific Leaders Make Little Headway On Arms and Human Rights Issues

By Paul F. Horvitz
International Herald Tribune
SEATTLE — The leaders of 14 Pacific Rim nations began their long flights home Sunday after turning a potentially historic new page in their economic relations, dedicating themselves to a long-term goal of free trade and praising their meeting as a step toward broader cooperation.

Pacific and at one point, in teasing his guests, declared, "A new era has dawned."

In the leaders' meeting Saturday on the tiny Blake Island, in Seattle's Puget Sound, President Kim Young Sam of South Korea told his colleagues of the Korean saying "Shijoggi hon-ida," which he translated as: "To begin is to have finished half the job."

Many of the leaders who came to Seattle for meetings of the 17-member Asia-Pacific Economic Cooperation forum, including Mr. Jiang and Japan's prime minister, Morihiro Hosokawa, treated the outcome a bit more soberly, as a beginning on a long road toward freer and more open regional trade.

The leaders set an timetable for progress, reflecting clear differences over the pace at which regional integration should be pursued and whether its fledgling mechanism, APEC, should be more structured or remain its loose, consultative quality.

There is clear consensus that we should move in a market-opening direction," Mr. MacLeod said, "but there is still a great difference between members."

"Ten years from now people will look back on this meeting as very historic," he said. "The message again is: We want this community to be united, not divided; open, not closed."

"It was worth it," said Hamish MacLeod, Hong Kong's financial secretary, who attended the leaders' session for Governor Chris Patten.

There is clear consensus that we should move in a market-opening direction," Mr. MacLeod said, "but there is still a great difference between members."

Prime Minister Paul Keating of Australia was quoted as saying that the meeting had "diminished fears some countries might have had about the United States and its motives."

Some officials minced words. China's president, Jiang Zemin, delivered a "vivid" 15-minute lecture to the Americans on the sanctity of a nation's internal affairs, an American official reported. And the U.S. trade representative, Mickey Kantor, declared that China's nearly \$20 billion trade deficit with the United States was "unacceptable."

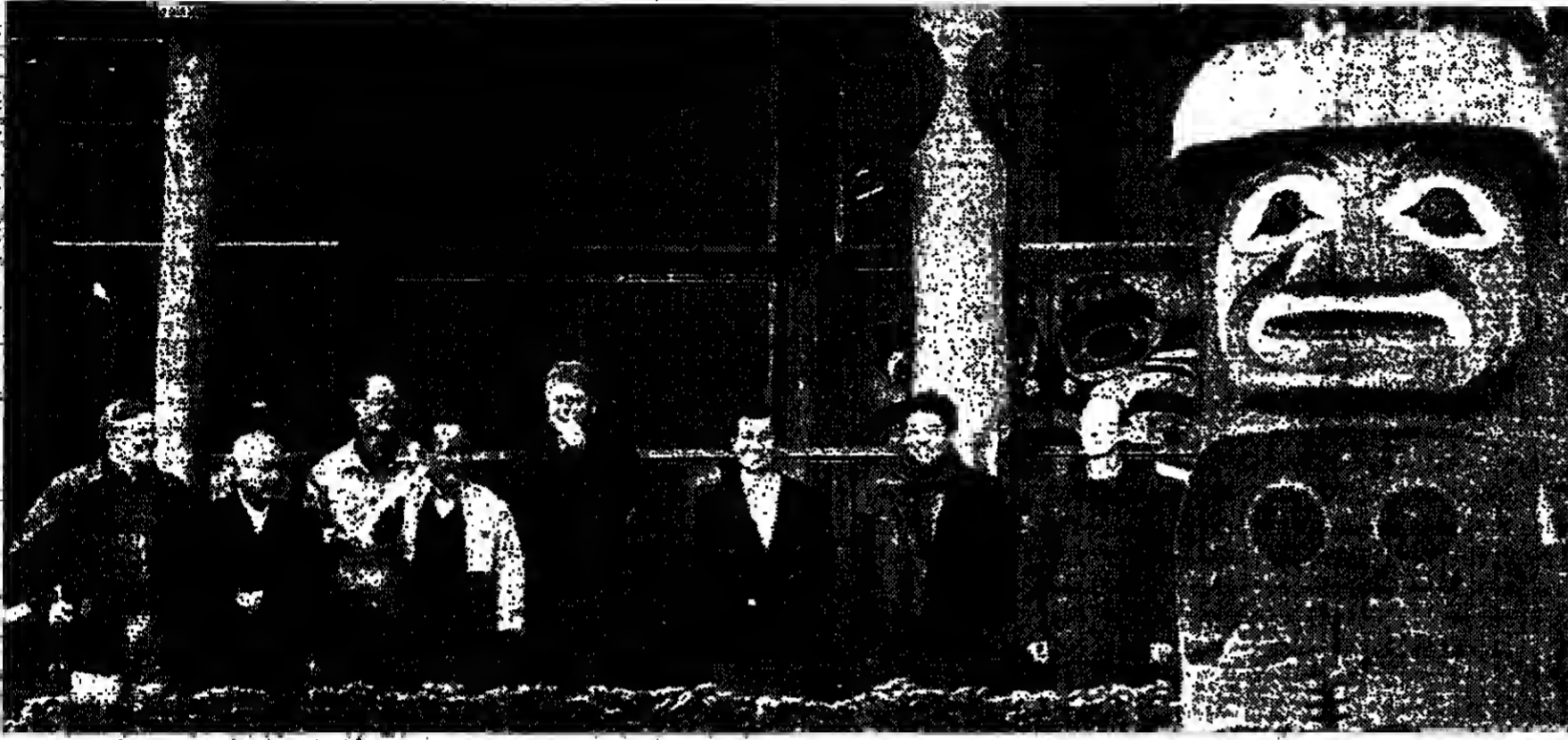
"A start has been made."

Joan E. Spero, the State Department's top economic official, described the larger U.S. messages this way: "American is a Pacific nation" and "economics is now at the core of U.S. foreign policy."

In the private leaders' meeting, Prime Minister Goh Chok Tong of Singapore reportedly

Mr. Clinton repeatedly stressed U.S. resolve to pursue economic ties actively throughout the

See APEC, Page 4



Some of the Asia-Pacific officials during a break in their meeting at an Indian loungehouse on an island near Seattle. They are, from left, Mr. Bolger of New Zealand, Mr. Suharto of Indonesia, Mr. Goh of Singapore, Mr. Ramos of the Philippines, Mr. Clinton, Mr. Siew of Taiwan, Mr. Hosokawa of Japan, and Mr. MacLeod of Hong Kong.

Chinese Stick to Their Hard-Line Ways

By Daniel Williams
Washington Post
SEATTLE — In his face-to-face meeting with President Bill Clinton, President Jiang Zemin of China listened stiffly as the American leader presented Washington's demands for improvements in human rights.

officials, for example, accused the Dalai Lama, a Nobel Peace Prize laureate, of fashioning cups out of human skulls.

Mr. Clinton did not take up the offer. As a participant in the Asia-Pacific Economic Cooperation forum, Mr. Jiang, perhaps more than most of the visitors, had to take care to play for a particularly home audience.

More APEC News
The Clinton administration prepares a new approach to North Korea. Page 4.
Malaysia's prime minister explains why he snubbed the Seattle talks. Page 5.
The heads of state took off their ties and got down to business. Page 5.
Clinton's warning to China on rights came at a delicate time. Opinion, Page 6.

No Missteps for President, But No Clear Gains Either

By R. W. Apple Jr.
Washington Post
SEATTLE — If Harry S. Truman was the midwife who attended the birth of new Atlantic institutions like NATO in the years after victory in World War II, President Bill Clinton pictures himself as the godfather of new linkages in the Pacific in the aftermath of the Cold War.

troubled relationship between Beijing and Washington. Mr. Clinton is touchingly ardent in his efforts to get along with the nation he described here as "home to one of every five people who live on this planet, and the world's fastest-growing major economy."

But in the last half-century, Asia has usually been more intractable for the United States than Europe, and last week's pioneering summit meeting of Pacific Rim leaders showed that shaping its future remains difficult.

He sees trade with China as a magic elixir that can cure many of the ills of the American economy.

NEWS ANALYSIS

Pacific Economic Cooperation forum. It was no piddling achievement merely to get the leaders of Indonesia, Taiwan, China, South Korea and other nations together — something that could probably not have been accomplished as recently as two years ago. In that sense, as Robert E. Rubin, one of the president's top economic advisers, put it last week, "The meeting is the message."

But China gave no ground at all on human rights. It provided no fig leaf to cover Mr. Clinton's nakedness before those in the United States who demand concessions as the price of trade benefits. Indeed, at a news briefing during the talks, Qian Qichen, the Chinese foreign minister, stonewalled like a Soviet spokesman in the Brezhnev era.

"Meeting now and agreeing to meet again suggests the power of the social and economic forces propelling very different societies toward closer association," said Michel Oksenberg, president of the East-West Center in Honolulu.

It may be true, as Mr. Clinton hinted, that this was just posturing, Chinese-style. For consumption at home. It may be that with the country's senior leader, Deng Xiaoping, in deteriorating health, and the jostling for succession well under way, no one official can make a commitment, and President Jiang Zemin acted here more as a conduit to his colleagues in Beijing than a decision-maker.

Nowhere is this more apparent than in the

If so, the real result of the talks between Mr. Jiang and Mr. Clinton, the most significant contact between the two countries since the democracy crackdown of 1989, may not be known for several days or several weeks. Mr. Jiang told a group of visiting Americans in

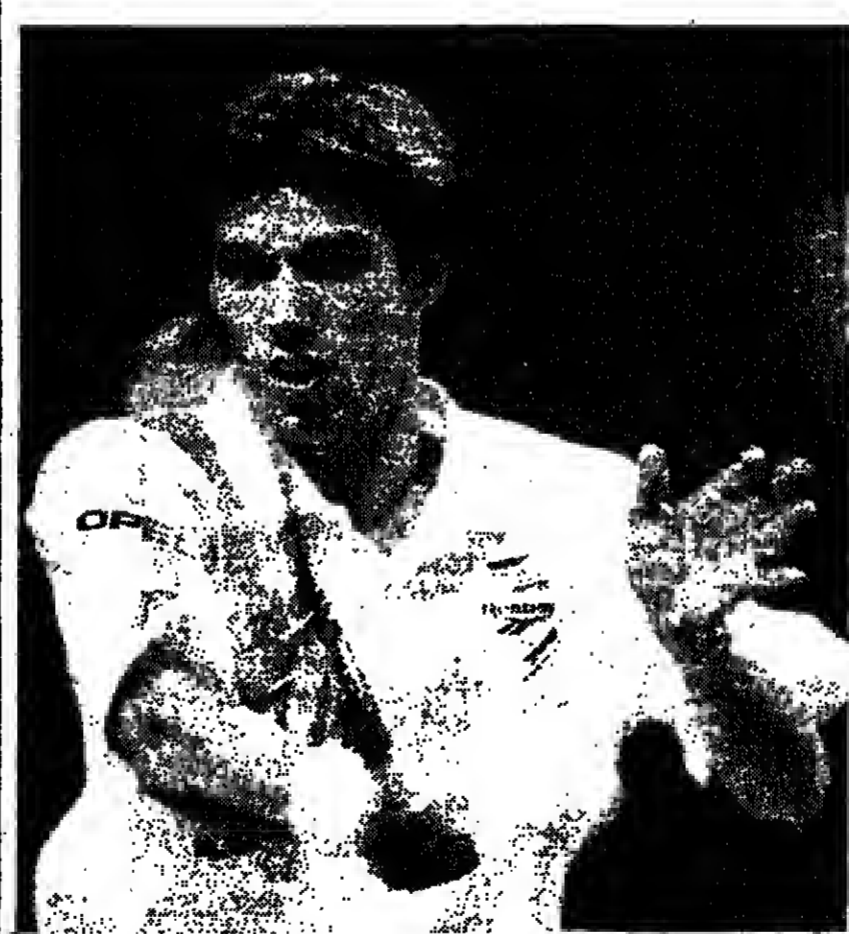
See CLINTON, Page 4

Senate Vote Is Watershed In U.S. Gun-Control Debate

By William J. Eaton and Michael Ross
Los Angeles Times Service
WASHINGTON — In a remarkable end-of-session turnabout, the Senate has rescinded the Brady gun-control bill from legislative limbo and has approved the measure, which establishes a five-day waiting period for the purchase of handguns.

cities of our country the actual means to reduce the crime rate?"]
On final passage Saturday, 16 Republicans joined 47 Democrats in favor of the bill, with 28 Republicans and 8 Democrats voting against it. Rescission of the bill was more surprising since it was considered dead for this year when its advocates failed twice Friday to get the 60 votes needed to shut off debate.

Kiosk



CHAMP OF CHAMPS — Michael Stich returning a serve by Pete Sampras on the way to winning the ATP Tour World Championship on Sunday in Frankfurt. Page 13.

Restructuring Shakes the PLO As It Prepares for New Tasks

By Youssef M. Ibrahim
New York Times Service
TUNIS — Struggling to transform itself from a revolutionary movement in exile to a state bureaucracy, the Palestine Liberation Organization is being restructured as it prepares to take over the Israeli-occupied Gaza Strip and the West Bank town of Jericho in about a month.

It is increasingly obvious that he is moving steadily to eliminate most of the old guard who for years appeared to be the makers of Palestinian destiny. Instead he is introducing a new generation of little-known campaigners and technocrats from within the organization and the Israeli-occupied territories.

Italian Leftists Strong in Exit Polls

ROME (Reuters) — Christian Democrats lost heavily in the first round of voting Sunday in nationwide local elections, exit polls indicated.

ment. The party's leader, Gianfranco Fini, placed second in Rome, Doxa said.
The Christian Democrat vote in Rome slumped to 9.3 percent from 31.9 in the previous city elections, while in Naples it fell to 7.3 percent from 29.8. Doxa said. The former Communists of the Democratic Party of the Left emerged as first-round winners in the polls in Rome, Naples, Genoa, Trieste and Venice.

Table with exchange rates for various countries including Andorra, Antilles, Aruba, etc.

See PALESTINE, Page 4

Japanese-American, 11: Where Does She Belong?

By T. R. Reid
Washington Post Service
TOKYO — A custody fight over an 11-year-old girl claimed by her American father and Japanese mother has turned into a four-year, trans-Pacific tug of war in which the judicial rhetoric from the American and Japanese courts has become nasty.

The latest Tokyo ruling means that the fifth-grader will remain in her Tokyo school, at least for the time being. The next stop for the father would be an appeal to Japan's Supreme Court, a process that frequently takes more years than Naomi has left in school.

See CUSTODY, Page 4

Q & A: Why EC Membership Is the Right Answer for Norway

In September Gro Harlem Brundtland began her fourth term as prime minister of Norway after the Labor Party's success in elections that also saw a surge in support for parties opposed to Norway's planned 1995 entry into the European Community. While in London last week to meet with officials, she spoke with Erik Ipsen of the International Herald Tribune.

Q. In light of the electoral gains scored by the anti-EC parties, do you have any hope of winning the planned referendum on Norwegian membership?

A. This really doesn't change the general picture of Norwegian public opinion as it has been for the last year and a half, during the period of skepticism around the whole of Europe which started in the summer of 1991.

Q. What do you see as the source of that skepticism?

A. Economic problems. It is rising unemployment. It feeds insecurity. It creates disbelief in the political system, a kind of turning away not believing that policy can make a difference.

Q. What can be done to overcome it?

A. I think that now what we need is

increased growth in the economy and especially in employment. In order to change those very dangerous consequences of an ill-functioning economy in Europe. When 10, 15, 20 percent of the work force is out of work, it is a dangerous situation.

Q. Given the political and economic problems in the EC, how can the voters of Norway and the other Scandinavian nations on line to join the EC be persuaded that it has anything to offer them?

A. I believe it is important for the electorate in Norway, Sweden and Finland that political development become positive in order to change the mood. Our negotiations with the EC are themselves vital. You have a result of those negotiations that we can send to the people saying, "We are welcome; they have given us a reasonable and good result."

Q. How do you respond to the increasing fears that Western Europe as a whole increasingly is losing the competitiveness battle?

A. Yes, this is because we have a higher standard of living. Workers in our coun-

tries have higher wages and better social security.

Q. How can those lofty standards be maintained if Europe cannot compete?

A. I just saw a statistic about the American situation showing that a relatively

high percentage of the workers in the lower-paid strata had an income that was so low that they could not live by it. It is not something for Europe to take after.

'I believe that we belong in Europe. Europe is not whole without Northern Europe included.'

Gro Harlem Brundtland

Q. When did you feel this peace process would actually succeed?

A. In the summer, in July. From then on we felt reasonably certain that if something special didn't happen that in some ways hindered one of the parties because of outside events, it would succeed. For instance, the fact that we were able to keep it secret for so long was essential for success.

Q. What can you do, then, if European workers are making refrigerators, for example, that are so expensive no one will buy them?

A. We have to have renewal and take into use new technologies. We have to

Q. How so?

A. If anyone had known that there was a Norwegian channel and that in fact one was reaching an agreement on the Middle East we would have had a danger of terrorist attacks. You had to keep it silent in the old-fashioned diplomatic way to succeed. It was a victory for Norwegian diplomacy and for not being so interested in talking about your own role that you ruin the cause.

Q. Why has Norway, a nation that prides itself on its ecological sensitivity, chosen to violate the ban on commercial whaling?

A. The ban is counter to the scientific background on which the whole International Whaling Commission is based. They overruled the IWC's own scientific committee that unanimously says that the stock of the minke whale is abundant. When they unanimously determined that the stock of the minke whale is not threatened, then by logic there should be quotas set. When that is not done, it is policing, not using arguments that have anything to do with the sustainable use of natural resources. It is singling out certain animals for protection out of sentiment that says whales are different from all other animals.

WORLD BRIEFS

End Strike, Nigeria Unions Urge

Lagos (AFP) — The Nigeria Labor Congress called Sunday for an immediate end to a weeklong general strike that has crippled the country's economy, union and government representatives announced in a statement.

Under the terms of an agreement worked out in all-day negotiations, higher prices for petroleum products were rolled back, though not to previous levels. Diesel fuel, for example, is to be increased to 3 naira (13 cents) a liter, instead of 4.74 naira, the price set two weeks ago that set off the strike. It previously had been 70 kobos (0.7 naira) a liter.

Getting the strike called off is likely to strengthen the new leader, General Sani Abacha. He seized power Wednesday in a bloodless coup and ordered the dissolution of all the country's democratic institutions.

U.S. Offers \$100 Million to Somalia

UNITED NATIONS, New York (Combined Dispatches) — After deciding to pull all American troops out of Somalia by the end of March, the United States has announced that it will offer the country \$100 million in aid if its warring factions agree to make peace.

The administration, which will propose the aid at an international conference on economic reconstruction later this month in Addis Ababa, Ethiopia, has asked other aid-giving countries to make similar offers at the meeting. The idea, officials at the United Nations say, is to encourage Somalia's warring factions to lay down their arms and accept national reconciliation by showing them they can expect a sizable amount of foreign aid if they cooperate.

In Germany, meanwhile, Rudolf Sharping, leader of the opposition Social Democratic Party, called Sunday for an immediate withdrawal of German troops serving with UN peacekeeping forces in Somalia. Mr. Sharping said that Bonn should not wait for the planned departure of U.S. forces. (NYT, Reuters)

Winnie Mandela's Bodyguard Slain

SOWETO, South Africa (Reuters) — Winnie Mandela's bodyguard was shot and killed beside her as a non-political street quarrel, the police said Sunday.

But the African National Congress called for further investigation of the possibility that gunmen had tried to assassinate Mrs. Mandela, the estranged wife of the ANC president, Nelson Mandela.

The police said that after Mrs. Mandela's driver, John Lawrence, had quarreled with two black pedestrians he said were blocking the car, 18 shots were fired in a street crowded with revelers at a Saturday night festival. Mr. Lawrence and one of the pedestrians were killed. Mrs. Mandela, 54, was unharmed.

Europeans Seek New Balkan Accord

UNITED NATIONS, New York (NYT) — In a last-ditch effort to bring peace to former Yugoslavia before winter sets in, European foreign ministers will propose a new, wide-ranging settlement covering Croatia as well as Bosnia-Herzegovina, according to a European official.

The plan, to be presented to the warring parties when they meet in Luxembourg on Monday, would require the Serbs to offer the Bosnian Muslims a little more land in addition to what the Serbs agreed to give up last summer. In return, there would be an easing of the economic sanctions now affecting the people of Serbia and Montenegro.

At the same time, the foreign ministers would encourage the Croatian government to sign the cease-fire agreement if almost worked out with its dissenting Serbian minority in Krajina during secret talks in Norway two weeks ago.

Ivory Coast Curbs News of President

ABIDJAN, Ivory Coast (Reuters) — The government imposed a news blackout on the ailing President Felix Houphouët-Boigny's condition Sunday as the opposition called for a coalition government.

The latest official news was a statement Friday that the president had returned home after six months in Europe, where he had undergone prostate surgery. The state television has not shown pictures of the president's return, which has fed rumors that he was dead. The official age of Africa's longest-serving president is 88, but many believe he is older.

TRAVEL UPDATE

Cold Spell Brings Early Snowfalls

PARIS (AFP) — A bitter wave of cold weather engulfed much of Europe over the weekend, plunging the thermometer below freezing and bringing London its earliest snowfall in 24 years.

The cold snap, unusual for this time of year, translated into snow in eastern England as well as Poland, Austria and Italy. Venice was among the cities in northern and central Italy recording some snowfall.

Weather forecasters were not expecting a reprieve overnight Sunday. The Louvre in Paris shut its doors early to visitors for the second day in a row Sunday because of the huge number of people wanting to see the museum's refurbished Richelieu wing. Officials said 30,000 people took advantage of free admission and toured the museum on Saturday. (AFP)

China will open 35 new domestic air routes in coming months to cope with a surge in passenger traffic, government officials said. (Reuters)

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

- MONDAY: Lebanon.
- TUESDAY: Japan.
- THURSDAY: Bosnia-Herzegovina, Puerto Rico, United States.
- FRIDAY: Mongolia.
- SATURDAY: Cuba.

Sources: J.P. Morgan, Reuters.

Moscow Faults Kiev Over N-Arms Pact

By Steven Erlanger

MOSCOW — Russia has reacted angrily to Ukraine's partial and highly conditional ratification of the START-1 nuclear arms reduction treaty, saying that Kiev's decision to retain 58 percent of its more than 1,600 warheads could destabilize international relations.

Russia's foreign minister, Andrei V. Kozyrev, in a blunt statement over the weekend, said "Ukraine has announced itself a nuclear power and reserved the right not to eliminate all nuclear weapons on its territory."

Mr. Kozyrev noted that Kiev was obligated to eliminate the weapons, and that its refusal created "an extraordinarily serious situation for the entire system of international relations, especially in Europe."

Even the Ukrainian president, Leonid M. Kravchuk, criticized the position of his holdover parliament in a weekend statement, saying that Ukraine should get rid of weapons "we cannot use or fully control."

He said he would resubmit the entire issue to a new parliament due to be elected on March 27, but also criticized the West for indifference and lack of will to act together with Ukraine in the period leading up to ratification.

Russia is in contact with other concerned countries, Mr. Kozyrev said. While noting Mr. Kravchuk's position, Mr. Kozyrev said that Ukraine's decision was "very disturbing," since it raised questions about the whole set of agreements reached between the major powers, including the Strategic Arms Reduction Talks.

Mr. Kravchuk, in his statement, called the vote "an important first step" toward gradual disarmament. His ambassador in Washington, Oleh Byelov, said Sunday that the vote "is explained by the fact that Ukraine, as a new, independent state, faces unique problems."

Prime among them, he said, is the threat to sovereignty posed by those in Russia who refuse to recognize Ukraine's ownership of Crimea, for example. For Ukraine, he said, the weapons serve as "a powerful means of deterrence" against Russian attempts to raise territorial claims against Ukraine.

In any event, Mr. Byelov said, the vote was "much more than could be expected" after several months of parliamentary deadlock. But it is indisputable, Western diplomats said, that the Ukrainian parliament has stepped back a long way from Mr. Kravchuk's commit-

Jet Crash Kills 115 in Macedonia

Reuters

SKOPIJE, Macedonia — All but one of the 116 people aboard a Macedonian airliner were killed when it crashed into a hill and exploded near the resort of Ohrid, officials said Sunday.

Dragan Trpkovski, head of the district commission investigating the disaster on Saturday, said the only survivor was a 20-year-old man who was one of 15 people hurled from the Russian-built Yak 42 by the impact.

Salvage teams who struggled through the dark to reach the crash site saw bodies burning in the wreckage.

The airliner, leased by the Macedonian company Avioimpex from the Russian Saratov aviation plant, was flying to Skopje from Geneva with 108 passengers and a crew of eight — a Russian flight crew of four and a Macedonian cabin crew of four. Avioimpex said.

The plane was diverted to Ohrid airport, 160 kilometers (100 miles) to the south, when snow closed the Skopje airport.

The police said the plane crashed into a hillside above Lake Ohrid just before midnight. It was Macedonia's second air disaster this year. A Fokker 100 leased by the Macedonian company Pelair crashed after takeoff from Skopje airport in March, killing 79.

Goran Pavlovski, head of the state investigation commission, told Macedonia radio that it was still not clear why the pilot chose to leave "a secure altitude." Navigational instruments and light signal equipment at the Ohrid airport "were working perfectly well and weather conditions were good," he said.

The cause of the crash was not immediately determined, but Mr. Trpkovski said the aircraft's flight recorder had been found. A member of the investigation commission said the recorder would be opened in Russia.

Geneva airport sources said the departure of the flight had been delayed for several hours by bad weather.

Many of the passengers were believed to be Albanians from the Kosovo region of Serbia. Many Albanians from the region work in Switzerland.

For investment information, read THE MONEY REPORT every Saturday in the FT.



Tim Brinkman/Agence France-Press

ENTERTAINMENT AND PROTEST — A folklore ensemble whipped up enthusiasm as 20,000 supporters of the Kurdish Workers Party took to the streets in Bonn for a demonstration against measures employed by the German authorities to control Kurdish groups.

When Iranian Exiles Are Killed in West

By Rick Atkinson

Berlin — On a chilly September night last year, two masked gunmen burst into the back room of the Mykonos restaurant here and, in a scene repeated often during the last decade, opened fire on expatriate opponents of Iran's fundamentalist Islamic regime.

This time, the targets were a Kurdish separatist leader and three of his top aides. As in dozens of similar cases, investigators found few clues except for four bullet-riddled bodies amid overturned tables and shattered cups.

Yet unlike nearly all of the previous assassinations in France, Switzerland, Italy, Turkey, and at least eight other countries, this time the suspected gunmen were soon caught. Five defendants, including an Iranian accused of being an agent of Tehran's Ministry of Intelligence and Security, are on trial in

Berlin amid extraordinary security measures.

The Mykonos murders have refocused public attention in Europe on the systematic extermination of Iran's political foes, as well as on the West's relations with Tehran. The investigation and trial have provided new insights into the operation of meticulously organized death squads directly linked to the rule of President Hashemi Rafsanjani, American and German officials say.

The hold brutality of such killings has led to protests from human-rights groups and Western governments. A recent Amnesty International report documented and condemned the killing of Iranian dissidents abroad. "We're seeing a growing pattern of killings and this bloody trail leads back to Tehran," said James O'Dea, Washington director of the organization. Sweden ordered the expulsion of

three Iranian diplomats last week for spying on expatriates; Tehran retaliated by kicking out three Swedish diplomats. The State Department has declared Iran to be the most active of all state sponsors of terrorism, saying that more than 20 such attacks in 1992 alone.

Yet the response to Tehran's apparent complicity has often been tepid or inconsistent. Commercial interests and desires to avoid provoking Iran sometimes have caused Western governments to soft-pedal their criticisms. American and European officials say.

Germany's Federal Criminal Office noted that although "Iran does not shrink from committing serious crimes in pursuing its opponents," the "reaction in the West is most likely to be verbal." Germany, which sold more than \$5 billion in goods and services to Iran last year, is a case in point. In early October, three weeks before the Mykonos trial opened, Chancellor Helmut Kohl's top intelligence adviser, Bernd Schmidbauer, met in Bonn with Ali Fallahian, Iran's intelligence minister, whom the German press has dubbed "the sixth defendant" in the Mykonos slayings. He is suspected by prosecutors of being the mastermind.

But when investigators suggested filing charges against Mr. Fallahian during his visit, Bonn insisted that the Iranian was a "state guest." The Iranian government has denied any connection to attacks. A spokesman for the embassy in Bonn repeated those denials. Allegations of complicity in the Mykonos case "are absolutely baseless," he added. "We also want to find out who's behind the murder."

The Berlin slayings are only a recent example of what intelligence and law enforcement officials say is a campaign that has not diminished since the death of Ayatollah Ruhol-

lah Khomeini in 1989 and Mr. Rafsanjani's accession. "Behind all these crimes stands a sovereign state with all of its logistic capabilities," the German Federal Criminal Office report said.

The Iranian exile group Mujahidin Khalq, which contends that the Tehran regime has murdered 100,000 opponents in Iran and tortured 150,000 others, lists nearly 100 assassinations or assaults on Iranian expatriates since the fundamentalist regime took power in 1979. Western officials have found links to Tehran in many cases.

Perhaps the case that offers the clearest link to Tehran was the assassination on Aug. 24, 1990, of Kazem Rajavi, head of the Mujahidin organization in Geneva, who was ambushed and killed by gunmen in two cars.

Swiss authorities implicated 13 Iranians. Most had entered Switzerland with diplomatic passports issued in Tehran on the same date with the notation "on assignment." Most also had arrived on Iran Air's Tehran-Geneva flights over several months, using tickets with consecutive serial numbers. Several of the men flew from Geneva to Vienna less than two hours after the killing.

The accumulated evidence "permits confirmation of a direct involvement by one or more official Iranian services," according to a report by Roland Chatelain, a Swiss magistrate.

Israelis Dispute Claims On U.S. Patriot Missile

By Tim Weiner

WASHINGTON — Contradictory claims by the U.S. Army, Israeli officials say that Patriot missiles deployed to defend Israel from Iraqi Scud missile attacks in the Gulf War intercepted none of the Scuds.

The U.S. Army has said that its Patriots intercepted about 40 percent of the Scud missiles that Iraq fired at Israel during the war in 1991. That is a far more modest estimate than the one originally given by the military and by the Bush administration. President George Bush once said that the Patriot's record was nearly perfect in the Gulf War.

But three Israelis with knowledge of the Patriots' performance say that only one — or possibly none — of the Scuds was intercepted.

The three, who appeared in a weekend documentary on Israeli television, are Moshe Arens, Israel's defense minister during the Gulf War; General Dan Shomron, chief of staff of the Israel Defense Force during the war; and Haim Asa, a member of an Israeli technical team that worked with the Patriot missiles during the war.

In the documentary, Mr. Shomron described accounts of the Patriot's success as "a myth." Mr. Arens asked how many Scuds were intercepted by Patriots,

said the number was "minuscule and in fact meaningless." All concurred with a 1991 report by the Israeli Air Force concluding that there was "no evidence of even a single successful intercept," although there was "circumstantial evidence for one possible intercept."

Several nations are interested in acquiring missile defense systems like the Patriot. Israel is developing a competing system, the Arrow, with assistance from the United States.

Asked about the discrepancy between American and Israeli accounts of the Patriot's performance, Mr. Arens said, "I can understand if somebody wants to sell his product."

In interviews, senior executives of Raytheon Co. of Lexington, Massachusetts, the builder of the Patriot, said that differences over what constituted an "intercept" accounted for the discrepancy.

"The numbers of Scuds successfully intercepted are small in any case and very small changes in criteria can swing the results from one extreme to another," said Robert M. Stein, a Raytheon vice president.

By the army's definition, an intercept is not just a direct hit by a Patriot. It includes detonations that divert tumbling, disintegrating Scud missiles from their presumed targets.


BREITLING
1884
INSTRUMENTS FOR PROFESSIONALS



CHRONOMAT
Close cooperation with pilots and aviation experts enables Breitling to continue improving its chronograph design all the time.
The Chronomat features a self-winding mechanical movement, a rotating bezel and a chronograph with a 12-hour counter.
The instrument is water-resistant down to 100 meters.

BREITLING MONTRES SA
P.O. Box 1132
SWITZERLAND - 2541 GRENCHEN
Tel: 051 51 11 31
Fax: 051 53 10 11

UNIVERSITY DEGREE
BACHELORS - MASTERS - DOCTORATE
For Work, Life and Academic Experience - No Classroom Attendance Required
(310) 471-0306
FAX: (310) 471-6456
Call or write for information or send detailed resume for Free Evaluation
Pacific Western University
500 N. Sycamore Blvd. Dept. 23
Los Angeles, CA 90049


HOTEL METROPOLE
GENEVE
Since 1854
A PRIVILEGED PLACE!
The only Grand Hotel located in the heart of Geneva's business and shopping center.
Air conditioned.
34, quai General-Guisan
1211 Geneva 3
Tel: (41-22) 311 13 44
Telex: 421553 - Fax: 311 13 50

55 من الأصل

STATESIDE / A 'BREAKDOWN' IN COMMUNICATIONS

POLITICAL NOTES

Rollins: Call Me Irresponsible
WASHINGTON — The political consultant Edward J. Rollins has testified that he lied when he said he had spent as much as \$500,000 to suppress black voter turnout...

Proceed with the nomination, he must resubmit it to the Senate.
Nominations are routinely returned to the White House at the end of a congressional session unless the Senate agrees to hold them.

Packwood Reverses Decision
WASHINGTON — Senator Bob Packwood had decided to resign but changed his mind after congressional staffers leaked his intentions to the Justice Department...

Justice Department lawyers scrambled to issue a formal request for the Oregon Republican's diaries, guarding against their possible destruction.

Quota/Unquote
President Clinton in a speech to representatives of the nations taking part in the Asia-Pacific Economic Cooperation conference.

Nomination Remains in Limbo
WASHINGTON — The Senate has sent the nomination of Morton H. Halperin as assistant secretary of defense back to the White House.

A CIA Drug Unit Is Tied to Smuggling

Justice Dept. Looks Into Allegations Officers Tacitly Backed Venezuelans

By Michael Isikoff
WASHINGTON — The Justice Department is investigating allegations that top officers of a special Venezuelan anti-drug unit funded by the Central Intelligence Agency smuggled more than 2,000 pounds of cocaine into the United States...

AMERICAN TOPICS

No Wonder Coaches Out-Earn Professors

The conventional wisdom is that it is a disgrace that college football coaches make more than professors. Nonsense, says the syndicated columnist Colman McCarthy: coaches work harder every day, 12 months a year, and take a far stronger personal interest in their charges than professors.

meetings and less than five hours a week on research or scholarly writing. "For the strenuousness of that, plus the severity of the nine-month year, full-time professors at universities average \$66,780."

About People
The Federal Election Commission has opened a legal loophole to help Senator John Glenn pay off his 1984 campaign debt, which now stands at more than \$3 million.

Short Takes
"Here they are, the new street people, standing outside buildings at all hours, no matter what the weather," says the Los Angeles Times.

Magazine advertisements are now appearing with Post-it notes — those little yellow bits of paper with an adhesive strip on the back — giving the advertiser's telephone number. This obviates finding a pencil and paper to copy the number down or tearing up the magazine.

Away From Politics



AN AIDS STAMP IN U.S. — Postmaster General Marvin Runyon giving Elizabeth Taylor a photograph of a U.S. postage stamp about AIDS in Washington at a clinic named for the actress.

An earthquake shook south-central Alaska, setting off alarms in the Anchorage area. No injuries or serious damage was reported. The Earthquake Information Service at Golden, Colorado, measured the quake at 5.1 on the Richter scale.

Senate's Stamp of Approval for NAFTA

By Helen Dewar

WASHINGTON — The North American Free Trade Agreement has won final congressional approval as the Senate joined the House in approving the pact, climaxing months of bitter debate that split Democrats and gave President Bill Clinton the biggest bipartisan victory of his first year in office.

Business in the Park

As part of the agreement, the United States and Mexico would establish an \$8 billion program to clean up pollution along their shared border.

On Saturday, Senators Edward M. Kennedy, Democrat of Massachusetts, and Tom Harkin, Democrat of Iowa, two close friends of organized labor in Congress, came out for the pact but articulated the mixed feelings of many pact supporters, especially Democrats.

Cuba May Go From Bad to Strife, a Study Predicts

By Howard W. French
MIAMI — A new report on Cuba paints a grim picture of the island's future, saying that attempts at economic reform now underway will probably lead to civil strife before the end of the decade.

U.S. to Cut Back AID, Shutting Down 21 Posts

By A.D. Horne

WASHINGTON — Twenty-one U.S. foreign aid missions will be closed as part of an effort to "focus on a limited number of goals" in "only about 50 countries," the Agency for International Development has announced.

Advertisement for 'The New York Times' featuring the headline 'ALL THE HOBOCTH THAT'S FIT TO PRINT' and details about the newspaper's circulation and subscription information.

Advertisement for 'SECRET CODES' with the headline 'CALLING ONE FOREIGN COUNTRY FROM ANOTHER IS NO SECRET' and a list of countries with their corresponding codes.

Advertisement for 'WorldCapUSA94' providing a list of international telephone numbers for various countries and a list of Sprint services.

APEC SUMMIT / SWEATERS AND PLAID SHIRTS

Off Came the Ties, Out Came the Coffee

By Timothy Egan
New York Times Service
BLAKE ISLAND, Wash. — The White House wanted this summit conference, the first-ever gathering of the major nations of the Pacific, to look different — something well beyond the usual guys-in-suits assemblies in formal settings.



Mr. Clinton and President Kim Young Sam of South Korea: beyond a "guys-in-suits" assembly.

REPORTER'S NOTEBOOK

networking retreat that Bill Clinton used to attend on the other coast.

It was all sweaters and plaid shirts as the leaders of the Asia-Pacific Economic Cooperation forum gathered inside an Indian longhouse on this uninhabited island of 475 acres (190 hectares), eight miles (13 kilometers) from Seattle. Even the sultan of Brunei, considered the richest man in the world, looked like just another weekend on his Northwest holiday as he entered the longhouse here with the other world leaders.

The leaders nosed on salmon and blackberry cobbler inside the cedar-planked longhouse, which served the coastal Salish tribes on the island where Chief Seattle was born more than 200 years ago.

Surrounded by the ageless glades of Indian totem poles, the leaders put aside the more contentious issues of trade, tariffs, and human rights to talk about the basic bonds that unite them. That may turn out to be nothing more than the Pacific Ocean, which laps against the most dynamic economic region in the world.

"Smooth sailing," Mr. Clinton said as he led the leaders off the passenger ferry Tyee and into the lodge. They passed two murals of stylized Indian bears, the lower parts of which were covered up by hastily assembled cedar bushes. As the Indians drew them, the bears were anatomically correct.

After initially scouting this location, White House aides brought back pictures of deer and towering evergreens and showed them to the president. If it was what he was looking for, he got it. The sky even cooperated; there was a low ceiling of trademark gray, but no rain.

"I don't know if they are going to be holding hands and singing 'Kumbaya,' but this is just what the president had in mind," said Lorraine Vokes, a White House spokeswoman. "This is all about getting to know each other."

Even the president of China, Jiang Zemin, was tickled. By mid-

morning, the Chinese seemed to have warmed to the retreat. "Let us be sincere friends," Mr. Jiang said. "Let us seek common ground and put aside differences."

Inside the longhouse, the leaders sat under carved cedar Indian masks and canoe paddles. They sat in a semicircle, Mr. Clinton as the leader-moderator, Japan on his right, Korea on his left.

Some officials with other delegations, noting that many of the Asian leaders answered to rigid bureaucracies back home, said this kind of informal setting would work against any significant breakthroughs. But others said the longhouse-brunch approach might be just what these strangers needed.

"Business in Asia is all about personal relationships," said Gretchen Sorensen, a former resident of Hong Kong who now lives in Seattle and was a consultant for the summit meeting. "They don't do business unless they have a personal relationship."

And business, Mr. Clinton said with considerable bluntness, was really what this meeting is all about. They might have talked about human rights in China, but the real concern was American apples for the Japanese market, said Boeing CEO for anyone in the Pacific who needs one.

Mr. Clinton said earlier that he did not mind being compared to a

ring merchant. "I'm not ashamed that I've asked other countries to buy Boeing airplanes," he said.

From the unrelenting politeness of the natives to the ubiquitous espresso carts, Seattle has been a culture shock to the Asian press and the White House advance team.

Early on, Asian delegates milled around the free espresso offered in the convention center headquarters, befuddled by the array of choices of coffee, a local cliché.

But by the weekend, everyone seemed hooked, and a caffeinated quirkiness prevailed. Even the president joined in, ordering, in response to a shout from a cart vendor, a "double shot decaf latte."

Awaiting the arrival of the leaders, foreign journalists could consult one of several "story concierges" who chirpily dispensed journalistic story ideas inside the international press center, the work station for nearly 3,000 reporters.

But the suggestions that they visit the Microsoft Company Campus, the Boeing factory plant, and the Space Needle were not enough. Many reporters wanted to know where they could find "grunge music" and where they could go to eat cherry pie and sip black coffee near Snoqualmie Falls, where the cult in-

Malaysian Is Glad He Stayed at Home

By Philip Shenon
New York Times Service
KUALA LUMPUR — As President Bill Clinton played host to government leaders from across Asia, one prime minister who declined his invitation to Seattle, Mahathir bin Mohamad of Malaysia, was pleased that he had stayed home.

Mr. Mahathir, who is known in Malaysia for his caustic anti-Western oratory and for his well-honed sense of political theater, insisted again that he made the right decision in boycotting the summit meeting.

"I have no regrets," he told reporters over the weekend in Kuala Lumpur, the futuristic capital of a nation that during his 13 years in office has been transformed into an economic dynamo.

He said there were important reasons for his decision to reject Mr. Clinton's invitation. The prime minister said he was disappointed before the summit meeting by the cool response of the

United States and other nations to an Asians-only economic grouping that he has championed.

And what if also possible, he was asked, that by boycotting the Seattle meeting there was a publicity bonus for Malaysia, which otherwise might have been ignored at the talks?

"There is something to be said about that," Mr. Mahathir conceded, a large grin on his face as he explained his theory that it can be better for the leader of a small nation to be notorious than to be anonymous.

"When a country is doing well, is peaceful, nobody is interested," he said. "Perhaps you have to thumb your nose at people before they notice you. Perhaps that may be a strategy we will follow. We should arrest a few foreign journalists — then we'll be noticed." He laughed again.

During Mr. Mahathir's tenure, Malaysia has produced prosperity where a generation ago there was little but poverty. While the per

capita income of the 18 million Malaysians is only about \$3,000 a year, it is growing rapidly. The economy has expanded at a rate of more than 8 percent in each of the last five years.

But freedom is limited and the judicial system is often criticized by international human rights groups. The government tolerates little dissent, and news organizations are timid in their coverage of government affairs.

Mr. Mahathir said he might have attended the Seattle meeting had there been more support from the West for the East Asian Economic Caucus, the all-Asian economic grouping that has been promoting for the last three years.

He says the caucus, which exists now as little more than an idea, would be a counterweight to the European Community and to efforts among the nations of North America to lower regional trade barriers.

Western countries have sought to block what they fear could become a trade bloc that would shut them out.

Japan Pleads for Time on 2 Troublesome Issues

SEATTLE — Prime Minister Morihiro Hosokawa of Japan kept the crucial issues of rice trade and income tax cuts on the back burner during the meeting with Pacific Rim leaders, pleading for time to push his political reforms through parliament.

Mr. Hosokawa said that he expected his government to decide on a possible income tax cut by early next year at the latest.

"Nothing official has been decided," he said at a weekend news conference. "We have yet to decide on the timing or scale of a tax cut. But I expect a decision by year-end or early next year."

He said he expected progress to be made on the issue of Japan's trade surplus with the United

States in time for a planned Feb. 11 meeting with President Bill Clinton.

But at the news conference, which was held after a meeting with Mr. Clinton and other Pacific Rim leaders on Blake Island, he said that the trade issue "should not be a one-way street" and that he was against setting "numerical constraints" on exports.

Secretary of State Warren M. Christopher said Washington was not pushing for an announcement on just how much Tokyo would cut income taxes as proposed in a just-released economic report.

"We're not seeking concrete figures," Mr. Christopher said. "However, we are expecting that you will come up with something meaningful."

The U.S. trade representative, Mickey Kantor, told his Japanese counterpart, Hiroshi Kumagai, that expectations were growing that Japan would ease its ban on foreign imports of rice.

"We understand there is a lot of sensitivity about rice in Japan," Mr. Kantor said, "but rice is an important issue and we hope there will be progress."

Mr. Hosokawa is not expected to make a final decision on the rice dispute, a politically explosive issue, for the time being. The prime minister hopes to push a package of long-promised political reform bills through parliament by mid-December before making a decision on the rice issue.

Ronald H. Brown, the U.S. commerce secretary, said that the \$50 billion annual trade deficit with Japan "cannot be tolerated."

Mr. Brown said that the United States was pleased with the "new words" coming from Mr. Hosokawa's new government, but that "we've got to press to make sure those words turn into action."

Foreign Minister Tsutomu Hata said Japan was considering certain concessions to help wind up the Uruguay Round of world trade talks by the Dec. 15 deadline.

"Japan has already given way on manufactured goods and the service sector," Mr. Hata told Mr. Christopher. "We will have other announcements to make."

The long-running talks, aimed at setting up new trade rules, have been held up over disputes about farm subsidies and other issues.

CHINA: Jiang's Visit to U.S. Marked by No-Apology, Little-Give Attitude

Continued from Page 1
press frenzy surrounding the visit, in remarks at Boeing Aircraft Corp., which hopes to sell planes to fill China's commercial fleet. Mr. Jiang indirectly noted the business stakes in resolving disputes with the Clinton administration.

As long as "all negative factors and artificially imposed obstacles" are removed, he said, "our bilateral trade and economic cooperation will yield greater successes."

On his way to Seattle, Mr. Jiang had stopped in San Francisco for meetings with Chinese-Americans. He quoted Confucius and classical poetry. No sayings of Mao Zedong passed his lips.

To his talk with Mr. Clinton, Mr.

Jiang spoke for 15 unbroken minutes on the complementary virtues of China in the 21st century. China as the biggest developing country, the United States the biggest developed country, an American official described the performance as "very formal."

Mr. Jiang rejected tying China's trade rights in the United States to human-rights issues, but there was a hint of possible conciliatory gestures. Mr. Jiang noted that under Chinese law, alien prisoners can be released, and family members of exiled dissidents are able to apply for visas — although it is not clear they would be routinely granted.

Wu Jianmin, China's Foreign

Ministry spokesman, criticized the sanctions placed on China for selling missile parts to Pakistan. "U.S. sanctions should have been lifted long ago," he said.

He defended China's human-rights record by insisting that the conflict represents a cultural misunderstanding. Asians, he asserted, "give greater emphasis to the rights of the people rather than privileges of a few."

Progress on Rights Urged

In Washington, Senator George J. Mitchell, Democrat of Maine, and the majority leader, said Sunday that China must make more progress on human rights, the spread of nuclear arms and trade if it wants its favorable tariff status with the United States renewed, Reuters reported.

"I think the crucial period will be over the next six months, whether the Chinese respond and actually make some progress in the area of trade, human rights and nonproliferation," Mr. Mitchell said. "Right now I do not believe the president could extend most-favored-nation status were the current events to exist late next spring or early summer."

The Senate minority leader, Bob Dole, Republican of Kansas, said he supported increased trade with China, but added, "We have to keep an eye on their human-rights record."

BOOKS

MARGUERITE YOURCENAR: *Inventing a Life*

By Jayane Savigneau. Translated from French by Joan E. Howard. 527 pages. \$25. University of Chicago Press.

Reviewed by Richard Howard

IN 1909 the possibility of electing a woman to membership in the Académie Française was for the first time seriously discussed, since advocates and partisans were agreed on one matter: If 40 immortals were ever to admit a member of the sex, Anna de Noailles (by no means a forgotten figure in France today, but by no means an admired writer) would surely be the first woman admitted. In the subsequent 84 years, the parallel qualifications of Colette, of Simone de Beauvoir, of Nathalie Sarraute, even of Louise de Villemorin were similarly advanced, but it was Marguerite Yourcenar, who first penetrated this hallowed and hoariest bastion of masculine privilege, followed shortly by the classical scholar Jacqueline de Romilly.

Like that of the Countess de Noailles, Yourcenar's eminence is not uncontented. Her most admitted and most popular achievement is the novel "Memoirs of Hadrian," yet even this best-seller has its detractors, who find her classicizing prose ponderous, her historicizing psychology portentous and her homosexual preoccupations pestilential.

They are wrong, I believe, but it is apparent that the virtues of Yourcenar's finest books have been realized by pervasive and successful effort, frequently against the grain of a demanding and a dissembling character. We call each writer "conflicted," and it is they who constitute the subjects of engaging biographies, for there is a constant agon in the life as in the work; a struggle to emerge into some kind of peace, some kind of poetry.

Joyane Savigneau, editor of Le Monde's book section, has produced (and in France has received the Prix Femina for producing) precisely the biography such a writer as Yourcenar merits, and Joan E. Howard, who had worked with Yourcenar on the translation of her long, intricate work with analogous

diligence. There is not a moment of humor in the story, nor a modicum of grace, but there is passion and wisdom and, against all odds, truth.

Often Savigneau has been obliged to contradict, even to upbraid her subject in the interests of that truth: she finds it necessary to remark on the chinks in the intellectual armor (Yourcenar's poor efforts at versifying and her improbable mission-ship) of a writer who sought to present herself as totally equipped to contend with the changes of culture. Moreover, this biographer is quite aware of the kinds of damage dealt out around an embattled figure by the need to present oneself heroically, an image of triumphant process. And she shows us how several of Yourcenar's friends were victims of the determined scission this author created in her life, much abetted by the drastic necessities of World War II: The free-ranging, autonomous Marguerite up till 1940 seems an altogether different woman from the remote and byzantine official contact of Grace Pisk, for the next 40 years her translator, her domestic mistress and her unacknowledged lover.

My own transactions with Yourcenar when I had occasion to translate one of her splendid volumes of essays, made me realize how troublesome, indeed how manipulative, such intercourse with a great author can be. Yet it was evident throughout that all "our" efforts were to be

in the service of literature, of a high and unyielding standard of excellence which would determine not only the nature of an author's prose but of her presence, as it were, in the English-speaking world.

It is evident now that such demands were made continuously by Yourcenar, to the very end of a very long life, to good purpose: I believe that at least three of her novels ("Coup de Grace," "Memoirs of Hadrian," and "The Abyss"), three volumes of essays, the lyric prose of "Fires," the French translation of Cavafy and of early Greek poetry, and the volume of Oriental Tales are as likely to abide as any literature produced in the last 50 years. It is very seldom that the drama of such an achievement can be made apparent to a reading public by a biography concerned with the evidences of the life lived, the contacts sustained

and suffered, the triumphs and losses of domestic companionship and professional career.

The exceptional quality of Savigneau's big book is that she has conjugated the intimate drama of Yourcenar's life with the intensely intellectual drama of her literary progress: she has demonstrated how the nature of this astonishingly isolated woman generated her writing and how that writing created her name, her body and her life. The story is often one of dark occasions, especially at the end of it, when Yourcenar was in such elegant delirium, but its overwhelming emphasis is upon the light. Few great writers have had such good fortune in the account of their journey.

Richard Howard, who teaches English at the University of Houston, wrote this for The Washington Post.

WHAT THEY'RE READING

• Mike Reynolds, political counselor at the British Embassy's Berlin branch is reading "Requiem: The Life of Reginald Goodall" by John Lucas.

• The book crosses the cultural divide between the British musical establishment and the German Wagner tradition. The only tragedy is that Goodall was discovered as a great Wagner conductor in the twilight of his life.

(Michael Kallenbach, IHT)



BRIDGE

By Alan Truscott

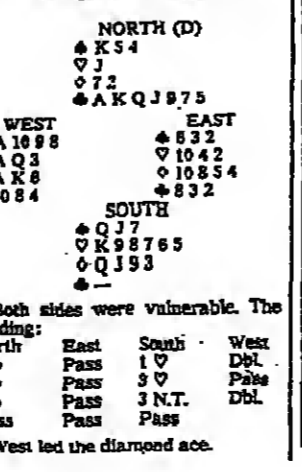
IN the 1992 Team Olympiad in Salsomaggiore, Italy, the women's team title went to Austria and the open team title to France. The French struggled early in the competition, finishing third in their qualifying group in which they lost a match to Germany, the reigning champions in a different world event, the Rosebloom Cup. On the diagrammed deal there was a choice of opening bid for North.

The German North, Georg Nippgen, opened with a gambling three no-trump. His partner, Roland Kobovský, knew that he was facing a long, solid club suit. He would have passed if he had held a club, but he feigned an endless North hand and escaped to four clubs. West naturally doubled, creating agony for his partner. A pass

would have produced a profit of 200, but East tried four diamonds, ending the bidding. This went down five tricks for 500, and left South wondering why he had failed to double.

In the replay the bidding went as shown, after a one-club opening by Alain Levy, North. The South player, Hervé Moullet, landed in three no-trump and was doubled, somewhat greedily, by West. The official commentary pointed out that the contract would be defeated if West led a high heart, either immediately or after leading a high diamond.

That needs East to have the heart ten, and West had no reason to assume that. Instead, after taking the diamond ace, he shifted to a club, hoping that South would run clubs and squeeze himself. That did not work, for Moullet took two club



Give the IHT as a gift and give yourself a gift as well!

Choose between these two magnificent Oxford Illustrated Encyclopedias.

OXFORD PEOPLES AND CULTURES

OXFORD INVENTION AND TECHNOLOGY

Take advantage of our special gift rate: 44% off the cover price!

A subscription to the IHT is an ideal year-long gift for a friend or business acquaintance — especially at our special gift rate of up to 44% off the cover price.

For each six- or twelve-month gift subscription that you order we will send you one of the Oxford Encyclopedias illustrated above — absolutely free.

Special bonus

We will extend your own subscription by one week for each month's gift subscription you enter. For example, if you order two one-year gift subscriptions, your own subscription will automatically be extended by 24 weeks.

And, of course, we will send the new subscriber a handsome card, signed as you specify, announcing your gift.

Subscribe yourself

If you are not already an IHT subscriber, you can also take advantage of this special gift offer. In addition to your subscription you will receive the Oxford Encyclopedia of your choice — free.

Just complete the coupon below and send (or fax) us a copy for each order. And leave the rest to us.

Call us toll-free in:

AUSTRIA: 0660 8155 LUXEMBOURG: 0800 2703
BELGIUM: 078 11 7338 SWITZERLAND: 155 57 57
FRANCE: 05 437 437 THE NETHERLANDS: 06 622 5158
GERMANY: 0130 848585 UNITED KINGDOM: 0800 89 5965

Country/Currency	12 months 2 mos FREE	6 months 1 month FREE
Austria	6,000	3,300
Belgium	14,800	7,700
Denmark	3,400	1,700
Finland	2,400	1,200
France	1,950	1,070
Germany	700	385
Great Britain	210	115
Greece	75,000	41,000
Ireland	330	125
Italy	300,000	275,000
Luxembourg	14,000	7,700
Netherlands	770	420
Norway	3,300	1,900
Portugal	47,000	26,000
Spain	45,000	26,500
— hard cover Madrid	55,000	27,500
Sweden (small)	3,100	1,700
— hard delivery	3,300	1,900
Switzerland	610	335

Please indicate which gift subscription term you prefer and fill in the recipient's name and complete address: 12 months (+ 52 free issues, 364 issues in all) 6 months (+ 26 free issues, 182 issues in all)

Please check here if you prefer to send the free Oxford Encyclopedia to the recipient. My choice is: Peoples and Cultures Invention and Technology.

Recipient's Name: _____
Address: _____
City/Code/Country: _____
My name as it should appear on the gift card: _____
Address: _____
City/Code/Country: _____
My subscription account number: _____
 My check or money order is enclosed (payable to the International Herald Tribune).
 Please charge my credit card: _____
 Access American Express Eurocard Diners MasterCard Visa

Credit card charges will be made in French Francs at current exchange rates. 22-11-93

Card No. _____
Exp. Date _____ Signature _____

For business orders, please indicate your VAT number: (IHT VAT number: FR74739211261)

Return your completed coupon to: Subscription Manager, IHT, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Fax: 33 1 46 37 06 51 - Tel: 33 1 46 37 03 61.

Herald Tribune

Special gift rates for our subscribers only. Offer valid through January 31, 1994.

Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Much Depends on China

It makes a handsome picture to hang on the wall, this sunlit vista of a future in which the countries around the Pacific Ocean grow steadily richer, and learn to work amicably together...

tech modern army, navy and air force. If the country on its way to such power were also on the way to being a democracy, everybody would breathe easier.

An Opening for Pyongyang

Nervous commentators fear that North Korea is about to develop nuclear weapons, leading them to urge immediate sanctions or even bombing raids to take out the regime's nuclear facilities.

barred special inspections of its nuclear waste sites that could have helped clear up the discrepancy. It also suspended regular inspections, claiming that the IAEA was being unfair and that the United States and South Korea were still making nuclear threats.

Building, Slowly, in Bosnia

Cruel irony touches the effort to bring humanitarian relief to Bosnia. In the pushing and shoving among Serbs, Croats and Muslims, there is increasingly something of a stalemate.

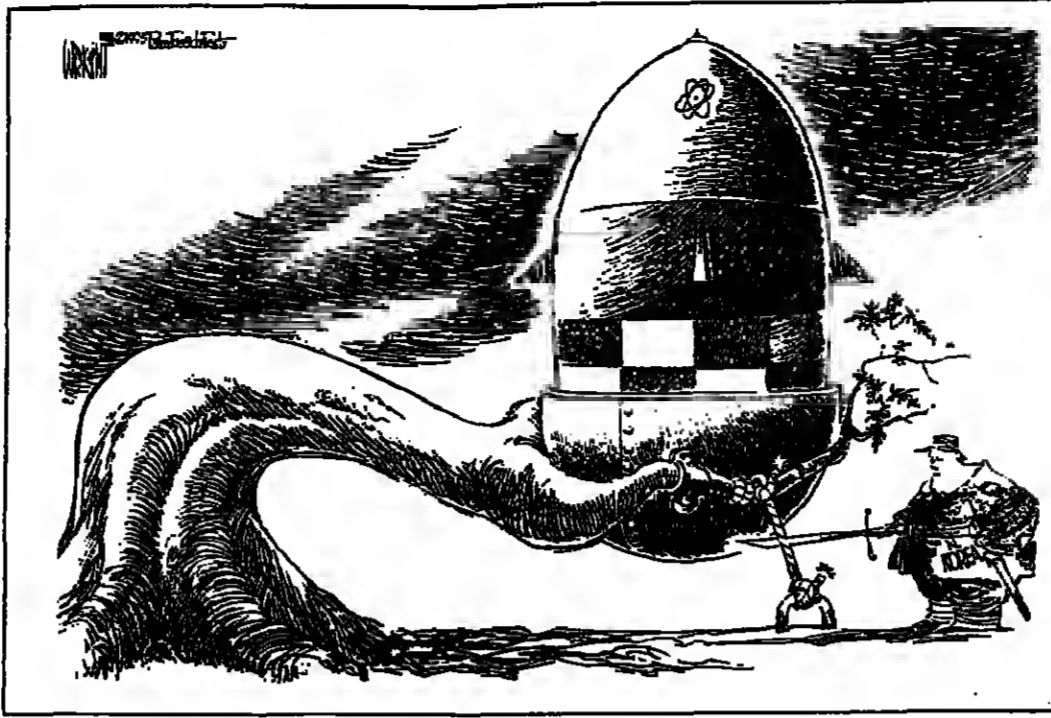
So it is encouraging, if faintly so, to see the combatants in Bosnia meeting and formally taking responsibility for their own relief. It is a pale substitute for effective international intervention, but it is the only substitute they must have.

Other Comment

A More Receptive Audience

President Bill Clinton's Asia policy is much more active than his policy toward Europe. The European Union has not made it difficult for him to follow this change of direction.

Tagespiegel (Berlin)



To Cure Eastern Europe's 'File Fever'

By Ethan Klingsberg

NEW YORK — In 1950, a woman asked the anti-Communist writer Arthur Koestler why the people accusing Alger Hiss of lying couldn't keep their mouths shut "about things past and done with."

higher-ups trying to hide the truth, as well as lies by agents seeking recognition for good work.

The formerly secret files might provide insights into how to undermine nationalist groups that owe much in style and technique to communism.

efforts have backfired to some extent on the subjects had the opportunity to convey the full context of misleading archival passages.

But file fever has rendered us as misguided as the East Europeans:

The dossier in question mentions Mr. Hiss only peripherally and is being used by historians in a manner that teaches little of contemporary value.

The writer, a New York lawyer, has taught law in Eastern Europe under the auspices of the Soros Foundation and has been a member of the Hungarian Constitutional Court. He contributed this column to The New York Times.

The Kennedy Myth: How Has It Survived So Long?

By Tom Wicker

NEW YORK — Thirty years after John Fitzgerald Kennedy's murder in Dallas on Nov. 22, 1963, Americans continue to hold the 35th president in improbably high regard.

He and his brother Robert sought the assassination of Fidel Castro. The nation's political and social atmosphere, moreover, have changed greatly since John Kennedy's time.

relatively primitive, had inaugurated 30-minute evening news broadcasts (with John Kennedy the guest star on each program).

Kennedy's presidency

was marked above all by crises, and his responses were not always sure.

Americans believe today that he would not have taken the nation so deeply into Vietnam as his successor did. Nor does Vietnam provide the only such wishful idea.

Now It's Easier to Believe

By Ellen Goodman

BOSTON — We all know where we were. Every one of us over 35 can tell you what we were doing when we got the news. There are moments in life when the clock simply stops.

On Nov. 22, 1963, I was working, at my first job, in the wire room at Newsweek magazine. One of the teletype machines began to ping the way it did for us bulletin.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Channel Tempest

PARIS — The storm which has been raging with extraordinary violence in the Channel for the last few days continued with unabated force yesterday (Nov. 20).

1918: Fleet Surrenders

LONDON — The German Fleet is in the hands of Britain, and Germany, as a sea power, has ceased to exist.

from New York reports that President Wilson desires to discuss the subject of a league of nations with the heads of the European nations and then to submit principles for world organization to the people of the United States for approval or disapproval.

1943: Stepping Stones

PEARL HARBOR — [From our New York edition:] Encirclement of the Great Japanese Naval and Air Base at Truk moved up appreciably today (Nov. 21) with the announcement that American amphibious forces have landed on Makin and Tarawa, the main controlling islands of the Gilbert group.

International Herald Tribune advertisement listing contact information for various offices: New York, London, Paris, Hong Kong, Tokyo, and other international locations.

CAPITAL P CURRENCY

CAPITAL MARKETS

Foreign Investors Seek Long-Lived Mark Bonds

By Carl Gewirtz

PARIS — Foreign investors, groping to enhance their incomes, are pushing out the life span on Deutsche mark bonds. Rarely seen maturities of 30 years have suddenly become the rage, with six issues worth a total of 3.95 billion DM (\$2.3 billion) launched last week. While largely shunned by the Germans themselves, the long-dated bonds are tailored to non-resident institutional investors.

The bulk of these were reported to be Japanese insurance companies, which are searching to find assets whose high yields matches their fixed costs. Yen interest rates are currently the lowest in the world and therefore unattractive.

Rates on 30-year dollars are a touch better than in Germany, but mark bonds are safer for the Japanese. Yields are running high about the U.S. market, where yields have already risen substantially in the past month amid signs of an economic recovery, posing considerable risk of a capital loss if bond prices continue to erode.

For the Japanese, that risk is mitigated by the prospect that rising interest rates will also buoy the dollar. But in the mark sector, where short- and long-term rates are expected to continue declining, the Japanese can hope for appreciating bond prices with little currency risk since the yen is likely to move in tandem with the mark against the dollar.

Only one of the long-dated mark issues was a Eurobond. This was Austria's offering of 2 billion DM, increased from the 1.5 billion DM which was initially announced. The other 30-year bonds, as well as two 20-year issues, were domestic bonds sold by seven state governments.

The prime distinction is that the Eurobond protects investors against the imposition of a German withholding tax on nonresident holders by allowing Austria to call the bonds in such an event or obliging it to pay the tax. But the absence of such protection proved to be no handicap for the other issues.

Deutsche Bank, lead manager of the Austrian issue, estimated that 70 percent of the paper was sold internationally to institutional investors, particularly in Asia.

With no 30-year domestic paper to use as a benchmark, the managers looked for reference to the domestic gilt market where the yield on 30-year bonds is 57 basis points, or just over half a percentage point, higher than the yield on 10-year paper. Adding eight basis points that Austria would normally pay over the cost of the German government, Deutsche Bank priced the paper to yield 65 basis points more than 10-year German government bonds.

The preponderance of nonresident demand was underscored by the fact that foreign banks were prominent as lead managers: Morgan Stanley & Co. for Baden-Württemberg and Saxony-An-

See BONDS, Page 9

QVC Finds Paramount Financing

The Associated Press

NEW YORK — QVC Network Inc. moved over the weekend to defuse a key argument against its hostile takeover bid for Paramount Communications Inc., saying it had obtained full financing for a tender offer.

Paramount, which already has accepted a lower offer from Viacom Inc., defended its rejection of QVC's unsolicited bid in Chancery Court in Delaware last week partly by arguing that it was contingent on financing.

Viacom and Paramount also argued that they made a compelling strategic fit.

Paramount is a leading entertainment producer that makes movies and TV shows, owns sports teams and theme parks and publishes

books. Viacom owns cable TV networks such as MTV and Showtime and has cable TV systems with 1.1 million subscribers.

QVC, led by the former Paramount Pictures president, Barry Diller, operates cable shopping channels from its base in West Chester, Pennsylvania. It said Saturday that it had received financing commitments from six banks for \$3 billion that can be used for its hostile tender offer for Paramount.

It said the regional phone company BellSouth Corp., which had earlier expressed an intention to invest \$1.5 billion in QVC, had committed itself to do so.

QVC has indicated it felt its bid did not get fair treatment from Paramount's board. It

went to court last week in Delaware, where Paramount is incorporated, to seek removal of antitakeover provisions that make an unfriendly offer for Paramount difficult.

Those provisions include a so-called poison pill, which would permit Paramount to flood the market with new shares of stock to deter a hostile bid. Viacom has also been granted fees and stock options that could be worth \$600 million if its deal with Paramount collapses.

Vice Chancellor Jack Jacobs, the judge in the Delaware court, is expected to rule on Monday, and the loser is expected to appeal.

See QVC, Page 9

Talks Collapse On European Airline Merger

By Jon Henley

Special to the Herald Tribune

AMSTERDAM — Four mid-sized European airlines, unable to agree on a U.S. partner, called off their merger talks on Sunday, ending their Alcazar project.

KLM Royal Dutch Airlines, Scandinavian Airline System, Swissair and Austrian Airlines abandoned 10-month-long talks "because we could not agree on our positioning in the U.S. market, nor on the resultant choice of a U.S. partner," said Pieter Bouw, the KLM president.

The airlines will continue talks on lower European markets of cooperation in fields such as maintenance and reservations, Mr. Bouw said, but talk of a full-blown merger was now "out of the question" and KLM will not carry on individual talks with any of the Alcazar partners.

The talks collapsed over KLM's insistence that only its U.S. partner, Northwest Airlines, in which it holds a 20 percent stake, could fly with the new European airline.

"We decided that any Alcazar cooperation could only be achieved if Northwest Airlines is the American partner," Mr. Bouw said. "We were within reach of agreement on every other point. Northwest was the only stumbling block." Alcazar needed a U.S. partner to provide passengers for the vital trans-Atlantic routes, which account for nearly half the global aviation market.

But Swissair, allied with Delta Air Lines, reportedly was concerned about Northwest's weak financial position. It also said the U.S. government was unlikely to extend to other European countries the liberal "open-skies" agreement that Washington negotiated last year with the Netherlands.

KLM, however, was determined not to lose its close ties with Northwest, the fourth largest U.S. airline.

"Far-reaching cooperation with Northwest has been part of our strategy since 1969," Mr. Bouw said. "We were not prepared to let that go. The other three partners held a different opinion."

Mr. Bouw said that KLM was still on the lookout for possible alliances, but was not in contact with any candidates. "For the time being, we will focus on building up our market strength under our own steam," he said. The Dutch government, which owns 38.2 percent of KLM, had told the carrier that it would take up its full share of any future rights issue.

Mr. Bouw said. While he denied KLM had detailed capital expansion plans, he said such support was "obviously extremely encouraging."

The merger talks, named Alcazar after a Spanish fortress with four corner towers, aimed to create a European mega-carrier with the economics of scale to compete a-

See MERGER, Page 9

Rising Bond Yields Signal New Ball Game

Shifting Rates Bolster Dollar

By Jonathan Fuerbringer

New York Times Service

PARIS — The weakening U.S. dollar and the powerful Deutsche mark are beginning to trade places.

The complete transformation will take some time. But the inevitability seemed apparent last week when long-term interest rates in the two currencies crossed over. For the first time in almost four years, the yield on 10-year U.S. Treasury bonds exceeded the German level.

The dollar's 10-year advantage over the mark is tiny, a mere six basis points, or 0.06 percentage point. But for Andre Drobný at CS First Boston in London, it was a milestone. "It's a leading indicator of what's to come," he said.

Investors are usually drawn to currencies whose credit markets offer high yields.

Analysts agreed that for the dollar to sustain a level in excess of 2 DM, the entire spectrum of interest rates starting from the overnight level will have to move in the U.S. currency's favor. The dollar is currently worth 1.7143 DM.

"But I don't think we have to get a crossover of all interest rates to get the dollar moving," said Mr. Drobný. "It could go higher just on anticipation."

A modest tightening by the Federal Reserve Board, he added, "could give the market enough assurance that the crossover is coming to give traders the assurance to take the dollar up." The Fed-directed drop of overnight money has been 3 percent since September 1992. The equivalent rate in Germany is currently 6.29 percent and the Bundesbank has announced that it will be reduced to 6.25 percent this week.

But short-term money market rates, easing in Germany and firming in the United States, have been steadily eroding the mark's advantage over the dollar. In the past

month, the differential in the three-month rate is down by 0.625 point, to 2.625 percentage points, while the differential in the one-year rate is down 0.75 point, to 1.625 percentage points.

This remains a handicap for the dollar, especially since there is considerable uncertainty about whether the current vigorous pace of U.S. recovery can be sustained. If it falls back at the start of next year, as many analysts expect, the interest rate gap might not close so fast.

The dollar did score a gain of 1.75 percent last week — an improvement that failed to impress analysts given the favorable background of the passage of the North American Free Trade Agreement in Congress, and a call by the Organization for Economic Cooperation and Development for Washington to increase short-term rates before the end of the year.

"The dollar struggled to get over 1.70 DM," observed Jan Amstad at Bankers Trust in London.

Neil MacKinnon, London-based analyst for Citibank, noted that the dollar's rally "lacks momentum to carry it over 1.72 DM." He predicted "lots of good news — faster U.S. growth, continued cuts in German rates — are already factored into the market."

Mr. Amstad concurred: "Lots of people have lost money waiting for the dollar's explosive recovery, and they're cautious about getting aggressively optimistic too early."

In Europe, meanwhile, the mark's weakness against the dollar contributed to an easing of money-market tensions. The French franc traded at its best level since the August crisis and finished the week at 5.4660 per mark.

But Christopher Potts at Banque Indosuez said this was due to declining money market rates in Germany rather than any notable improvement in the outlook for the franc. He saw the franc trading in a range of 3.46 to 3.50 per mark.

The Belgian franc also improved after the country's coalition government agreed to a package aimed at cutting spending that enabled the central bank to cut its interest rates. But Mr. MacKinnon said that "the franc isn't out of the woods yet. Interest rates are still way too high with unemployment at 14 percent."

— CARL GEWIRTZ

percent, the highest level in more than three months.

For the week, the yield on the 30-year Treasury bond due in August 2023 rose in 6.34 percent from 6.14 percent the previous week, as its price tumbled by 2.19/32 points, to 98 26/32. With the yield on the two-year Treasury note rising to 4.19 percent from 4.09 a week earlier, the gap between the two rates and the 30-year return grew to 2.15 percentage points from 2.05 points a week earlier. A widening gap indicates rising fears of inflation.

The rest of the market also slumped as prices fell sharply across the board and yields rose. Fear of rising economic growth at the end of this year, concern about inflation and worry that the Federal Reserve Board could move soon

Declaring the end to the rally is risky, mainly because of the U.S. economy's erratic performance in the last several years. But that seemed in any case to be the view on Friday, when bond dealers sold and sold as if they were running for the exits. The yield on the bellwether 30-year bond rose as high as 6.36

See CREDIT, Page 9

French Entrepreneurs Cash In on Fax Modems

By Mitchell Martin

International Herald Tribune

PARIS — The setting seems familiar: two professors "computer freaks" leave their engineering jobs to start a company, and a few years later end up running a high-technology multinational.

But the story does not begin in the California garage that spawned Apple Computer Inc. and the idea of personal computing in the mid-1970s. Rather, this is Paris in 1984, where Bruno Vanryb and Roger Politis, sound engineers, began BVRP Software SA with 20,000 francs (\$3,390) of capital and the idea that they wanted to do professional computer programs.

BVRP may not be Apple Computer, but it has just signed a deal for modem software with Hayes Microcomputer Products Inc. that will expand its geographic reach from France to 62 other countries. Modems, the electronic gateways that connect computers and telephones, are increasingly used to send and receive facsimiles, and they recently have added answering-machine functions.

Mr. Vanryb and Mr. Politis began their company in a different field, offering a database program called Directory. The first version sold only 3,000 copies. Mr. Vanryb said that was just enough to finance a revision that sold a more respectable 17,000 copies.

But databases, used to sort and store information in a kind of electronic library, are offered by a number of major software houses, such as Microsoft Corp. and Lotus Develop-

ment Corp. Mr. Vanryb said he decided that if BVRP pursued databases and similar programs it "would be crushed" by competition.

In 1987, the partners made a crucial decision, using the profits from Directory to change to software that runs facsimile machines. Mr. Vanryb said: "In 1987, practically nobody was writing software for communications. The hardware designers were doing their own software design in the cellar in five minutes and saying, 'That is my program.'"

BVRP's program for fax modems, called WinFax in France and FaxTools elsewhere, accounts for half of the fax modem-software sales in France. Perhaps more important, it caught the eye of Hayes, whose name is synonymous with the de-facto worldwide standard for modem commands. Hayes will incorporate BVRP's programs in its Smartcom software. It offers limited versions bundled with its modems and full programs as stand-alone items. The companies will also share technology and jointly develop products.

The privately held Hayes accounted for about 25 percent of the U.S. modem market last year, with sales of about \$172 million. BVRP, by contrast, projected sales of 25 million francs for 1993, though 1994 results should be far higher as the Hayes deal takes effect.

Bob Lang, the Hayes product manager for software, said BVRP's technology was attractive because of its ability to handle facsimile and voice traffic. He said that while the market for data modems has matured, fax applications are showing "huge growth" and modems that also function as answering machines are expected to gain acceptance rapidly.

For its part, BVRP felt it had to join with a bigger company to expand beyond the

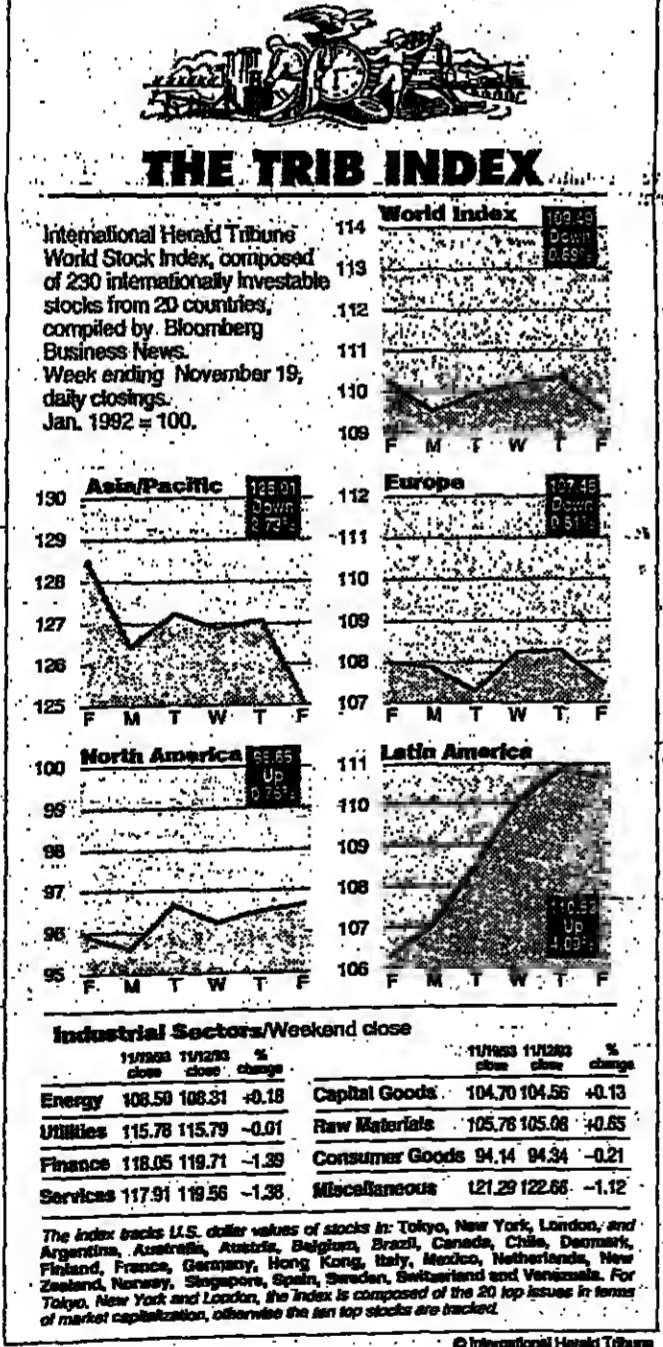
French market. "What is interesting to us," Mr. Vanryb said, "is that 50 percent of the market in France is 40,000 programs a year, but Hayes sold 2.8 million modems last year, so you can imagine for us it is a change of scale. There is no solution for a small company except to find a partner."

In fact, BVRP plans to sign deals with other companies, and Mr. Lang and Mr. Vanryb said their alliance was entirely commercial, based on complementary strengths. BVRP is controlled by its founders, with Maura Communications SA, part of the French electronics and publishing conglomerate, holding a 33 percent stake and a venture-capital company called Société pour le Financement de l'Innovation, or Sofinova, owning about 10 percent.

Mr. Vanryb professed a fondness for venture-capital financing, but he said it was hard to come by in France. "The style of French venture capitalists is very different from the style in the United States. They prefer to invest in bigger companies. They don't like startups." Even when funds are available, he added, they tend to be in relation to the size of the company in the French market, not potential international sales.

"The problem is, the size of our market is so small," Mr. Vanryb said, "that when you ship a product you spend the same as you spend in the United States, but the first shipment here is an order for 300 copies, and the first order in the U.S. is 8,000 to 10,000 copies." He added: "It's very easy to lose money, very easy to collapse before the money comes in."

Articles in this series appear every other Monday.



U.S. Protests Japan Moves On Software

Andrew Pollack

New York Times Service

TOKYO — The United States is protesting what it views as a Japanese plan to weaken copyright protection of computer programs and help Japanese companies catch up in software, an industry dominated by Americans.

The U.S. government and American computer companies say a proposal under review by an advisory committee to Japan's government would make it easy to copy programs. "We need to take a close look at any steps that would weaken our ability to compete," Michael K. Kirk, assistant commissioner for external affairs of the U.S. Patent and Trademark Office, said Friday.

Mr. Kirk, who headed a U.S. delegation that came here last week to press the U.S. concerns, said the Japanese proposal would be "contrary to international norms."

The concern focuses on an advisory committee formed in July by Japan's Agency for Cultural Affairs to review laws regarding software copyrights. One issue the panel is considering is whether to ease rules on so-called reverse engineering of programs to find out how they work.

Japanese officials say the committee, expected to finish its report early next year, is merely reviewing the copyright issue in light of developments in the United States and Europe that boost the acceptability of reverse engineering. They said the panel has not reached a conclusion.

The kind of reverse engineering at issue is known as decompilation. When software is written in a computer programming language, it undergoes a process known as compilation that turns it into the ones and zeros the computer can understand.

Those ones and zeros are difficult for humans to decipher. Decompilation reverses the process, turning the program back into a language that is easier to understand and therefore allowing people to learn how a program works.

Proponents say learning the ideas behind a program's functioning is legitimate because copyrights do not protect ideas, only their expression. Such information helps software developers write programs compatible with those they are studying.

The European Community issued a directive in 1991 allowing decompilation in cases necessary to make one program operate with another.

CURRENCY AND CAPITAL MARKET SERVICES. CURRENCY MANAGEMENT CORPORATION PLC. WINCHESTER HOUSE, 77 LONDON WALL - LONDON EC2M 5ND. Tel: 071-382 9745 Fax: 071-382 9487. FOREIGN EXCHANGE & GOLD. 24 Hour London Dealing Desk. Competitive Rates & Daily Fax Sheet. Call for further information & brochure. Market Myths and Dull Forecasts for 1993. For further details on how to place your listing contact: PATRICK FALCONER in London. Tel: (44) 71 836 48 02. Fax: (44) 71 240 2254. Herald Tribune.

When you know your worth. Omega Constellation. Ladies' watch in 18 k gold. Scratch-resistant sapphire crystal. Water-resistant. Swiss made since 1848. This week's topics: Asia's Wealth And Power, Will Sweden's Astra Join Merck?, Mending Fences After NAFTA, Hussein Outplays Arafat, How To Price Pollution. Now available at your newsstand! BusinessWeek International. 14, av d'Odely, CH-1006 Lausanne. Tel. 41-21-617-4411. For subscriptions call UK 44-628-23431 Hong Kong 852-623-2898.

CURRENCY RATES. Cross Rates. Nov. 19. Amsterdam, Brussels, Frankfurt, London (US), Madrid, Milan, New York (US), Paris, Tokyo, Toronto, Zurich, 1500, 1500. Other Dollar Values. Currency, Par \$, Growth Rate, Annual Rate, Swiss Franc, British Pound, Chinese Yuan, Czech Koruna, Danish Krone, West. German Mark, Finland, Forward Rates. Source: IMF (London); Reuters (Frankfurt); Reuters (London); Reuters (Paris); Reuters (Tokyo); Reuters (Zurich); Reuters (New York); Reuters (Toronto); Reuters (Zurich).

WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Limited, London, Tel: 022 40 00. Prices may vary according to market conditions and other factors. Nov. 19

Dollar Straights

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists various government bonds like US Gov, US Corp, etc.

Governments/Supranationals

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists international government bonds from various countries.

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Continuation of Dollar Straights table.

Global Corporates

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists international corporate bonds.

Banks & Finance

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists bonds issued by banks and financial institutions.

Dollar Zeros

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists zero-coupon dollar bonds.

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Continuation of Global Corporates table.

Deutsche Marks

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists bonds denominated in Deutsche Marks.

Floating Rate Notes

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists floating rate notes.

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Continuation of Deutsche Marks table.

Yen

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists bonds denominated in Yen.

Pounds

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists bonds denominated in Pounds.

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Continuation of Yen table.

Ecus

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists bonds denominated in Ecus.

Dollars

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists dollar-denominated bonds.

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Continuation of Ecus table.

Yen

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists yen-denominated bonds.

Dollars

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists dollar-denominated bonds.

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Continuation of Yen table.

Dollars

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists dollar-denominated bonds.

Dollars

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists dollar-denominated bonds.

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Continuation of Dollars table.

Dollars

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists dollar-denominated bonds.

Dollars

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists dollar-denominated bonds.

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Continuation of Dollars table.

Dollars

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists dollar-denominated bonds.

Dollars

Table with columns: Issuer, Con, Mat, Price, Yld, Trv. Lists dollar-denominated bonds.

MUTUAL FUNDS

Figures as of close of trading Friday, Nov. 19

Large table listing various mutual funds with columns for fund name, price, and other details.

MUTUAL FUNDS

Figures as of close of trading Friday, Nov. 19

Large table listing various mutual funds with columns for fund name, price, and other details.

MUTUAL FUNDS

Figures as of close of trading Friday, Nov. 19

Large table listing various mutual funds with columns for fund name, price, and other details.

503 من الأمل

New International Bond Issues

Table of bond issues with columns for Issuer, Amount, Maturity, Coupon, Price, and Terms. Includes sections for Floating Rate Notes, Fixed-Coupons, and Equity-Linked.

GM Cars To Be Sold As Toyotas

Compiled by Our Staff From Dispatches TOKYO — Toyota Motor Corp. said Saturday it would sell right-hand drive cars made by General Motors Corp. under the Toyota name in the first such deal between a U.S. and Japanese automaker.

Starting in 1996, Toyota will market 20,000 GM Chevrolet Cavaliers annually through its dealer network in Japan. The announcement was made Saturday hours after the summit meeting between President Bill Clinton of the United States and Prime Minister Morihiro Hosokawa of Japan in Seattle.

The move could triple GM's U.S.-built exports to Japan by 1996. GM sold 9,000 U.S.-made cars last year in Japan, and 1993 sales are expected to be under 8,500.

Japanese news reports questioned whether the deal would benefit Toyota, saying the agreement was merely another burden amid the flagging car market in Japan. Jiji Press said it would be difficult for Toyota to achieve the announced figure because Toyota dealers are unwilling to sell GM cars in such severe economic conditions.

Japan's domestic sales of new motor vehicles in October fell 11.3 percent from a year earlier, to 374,227 units, the seventh monthly decline. Jiji Press said the price of a Chevrolet Cavalier was expected to be set at around 2 million yen (\$19,000), which is much more expensive than Toyota's popular Camry series.

The agreement is part of Toyota's pledge to GM and to the U.S. government to boost sales of GM cars in Japan. "It doesn't break down the wall, but it certainly penetrates it in a significant way," said Chris Cederger, analyst for AutoPacific Group in Santa Ana, California.

The Week Ahead: World Economic Calendar, Nov. 22-26

A schedule of the week's economic and financial events, compiled for the International Herald Tribune by Bloomberg Business News.

Asia-Pacific Nov. 22 Tokyo Sept household spending figures forecast down 0.8%.

Madrid Third-quarter unemployment rate forecast 23.0%.

QVC: Financing Is Found for Bid

Continued from Page 7 immediately to the state's Supreme Court. Monday is also the expiration date for Viacom's S85-a-share cash offer for 51 percent of Paramount's shares.

QVC is offering \$90 a share in cash for 51 percent of Paramount's stock in an offer that expires on Nov. 29. It also would pay stock for the remainder. The value of the takeover is about \$10.6 billion.

The stock market has been volatile QVC's bid at roughly \$1 billion more than Viacom's offer, but the Paramount board rejected it last week for strategic reasons and because it contained legal and financial contingencies.

Mr. Diller, in a letter sent to the Paramount board, said the new financing commitments and last week's decision by federal antitrust regulators to let the deal proceed once Liberty Media Corp. dropped out as a bidder for QVC removed key reasons cited for rejecting his bid.

Last Week's Markets

Table showing Stock Indexes and Money Rates for various countries and currencies.

MUTUAL FUNDS

Table of mutual fund performance with columns for Fund Name, Bid, Ask, and other metrics.

CREDIT: Bond Rally Over?

Continued from Page 7 to raise short-term rates all played a role in the sell-off. Money managers are also selling to lock in profits for the year.

John Lipsky, the chief economist at Salomon Brothers Inc., took the opposing view. "I don't want to say the rally is over," he said. "If we are right on the fundamentals, the U.S. is likely to go through 1994 — the fourth year of an expansion — without accelerating inflation, and that would be a positive surprise for the bond market."

Euromarkets At a Glance

Table of Euromarket yields for various instruments like Eurobond Yields and Weekly Sales.

BONDS: Mark Issues in Spotlight

Continued from Page 7 were offered at a discount of 98.551, with a coupon of 6% percent to yield 90 basis points more than U.S. government paper.

This was more generous than had been removed, but necessary given investor reluctance for 10-year paper in the current environment. Lehman estimated that just over half the issue was sold to U.S. investors.

National Power Co. of Britain also sold \$300 million of 10-year paper. But the current preference for short-dated paper was demonstrated by INI, the Spanish state holding company, which increased its maiden issue to \$650 million from the expected \$500 million.

MERGER: Talks Collapse

Continued from Page 7 half, J.P. Morgan & Co. for Heise, and Goldman, Sachs & Co. for North-Rhine-Westphalia.

While there was broad agreement that the pricing on the Austrian bond represented fair value, there was no such consensus on the state issues. Bankers noted that state borrowers usually pay up to 40 basis points more than the federal government in the domestic market, and they fretted that this was not reflected in the pricing of the 30-year bonds.

Given the heavy volume and rumors of significant amounts of unsold state government paper, bankers estimated the 30-year sector was now saturated. Overall, issuing activity is expected to slow considerably this week with Tokyo closed for a holiday on Tuesday and New York shut on Thursday.

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, Nov. 19.

Main table containing NASDAQ market data with columns for symbol, price, volume, and change. Includes sub-sections A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

ESCORTS & GUIDES
BELGRAVIA ORCHIDS
European Far Eastern Escort
LONDON ESCORT AGENCY
CREDIT CARDS ACCEPTED
071 589 5237

INTERNATIONAL CLASSIFIED
(Continued From Page 4)
CHIC OF MAYFAIR
THE HAMMERS OF ALL
LONDON ESCORT SERVICE
TEL: LONDON 71 229 2000
MISS GENIEVA & PARIS
Debut Escort Service of NYC
212-229-2100
CHELSEA ESCORT SERVICE
31 Beaufort Place, London SW1.
TEL: 071 584 6213

FRANKFURT & AREA
Paris's New Int'l Escort Agency
PRIME TIME ESCORT SERVICE
ZURICH GRINA
ZURICH-BERN
PARIS & LONDON
TOKYO
MUNICH WELCOME
GENEVA & AMANDA
SUSAN
PARIS LONDON
FRANKFURT
GENEVA INTERNATIONAL
JAPANESE CHINESE THAI
VIENNA PARIS ZURICH

TO OUR READERS IN AUSTRIA
It's never been easier to subscribe
and save. Just call toll-free:
0660-8155 or fax: 06069-694894

LEBANON HORIZON 2000

Back in Business, Beirut Enlarges Its Opportunities

The lights are coming on all over Beirut as life returns to normal after 17 years of civil war and three of a stalemate peace. The bright lights of the revived city symbolize its return to confidence and bustling enterprise.

Boutiques, bars, brasseries and restaurants are opening daily in Hamra and Jounieh. Banks and offices are putting up new signs (Crédit Lyonnais has just moved into Beirut). Hotels in the city center are being refurbished, and many are open for business. Soon, plush seafront hotels like the Phoenix and Saint Georges will be back in business, along with the already functioning Summerland and Bristol. The proposed reopening of the once world-famous casino will be the final signal that Beirut is back to normal.

The downtown city center itself is about to be turned into one of the world's largest construction sites as the proposed \$1.9 billion Solidere redevelopment gets under way.

It is impossible to exaggerate the scale of destruction in the war-torn central district. The reconstruction program is the trail-blazing feature of the Horizon 2000 project that the government hopes will give Lebanon a new heart and soul for the next millennium.

Collective unity and democratic progress toward a brighter future is the combined objective of the "confessional" government (one whose leaders and executives are from different religious faiths, so power is shared).

President Elias Hrawi, who leads what is in effect the republic's three-man executive with Nabih Berry, president of the National Assembly, and Rafic Hariri, the prime minister, speaks about changes in attitude. "We used to refer to the Muslim army or the Christian army — now we speak only about the Lebanese army," he says. "We want to see a Lebanese generation that will flourish and is looking not only



President Elias Hrawi: "I believe we are all working toward one Lebanon."



Rafic Hariri, prime minister and reconstruction leader.



Place des Martyrs: The war-torn center of Beirut is rising again and should soon be restored to its former elegance.

Seven Steps That Will Lead to the Rebirth of a Nation

"Horizon 2000," the 10-year rebuilding program for Lebanon, is more than just a reconstruction plan. Rafic Hariri, the prime minister (and former businessman, banker and entrepreneur), has been the driving force behind the project, which he sees as a unifying symbol of the new Lebanon.

More than \$10 billion is to be spent on developing the social infrastructure of the country, in addition to the city center redevelopment by the company Solidere, of which Nasser Chammaa is secretary-general. Mr. Hariri says: "It was my concept, but I consider it the concern of a government to be responsible for the center of the capital."

Nohad Baroudi, secretary-general of the Council for Development and Reconstruction (CDR), told a group of American businesspeople in Washington last month that as Lebanon moved into an epoch of peace and stability within the Middle East, "we must rise to the challenge of nurturing a Lebanon that reflects our proud heritage, and the rebirth of a nation emerging with confidence into the next millennium."

He added, "We have to overcome the economic and social constraints and wounds that war has left in its wake."

The final version of Horizon 2000 was published last March and consists of seven main sectors: the city, telecommunications, water and sewers, electricity generation and transmission, transportation, schools and hospitals, and reform of government institutions.

Mr. Hariri is confident that the program is on course and rejects criticism from some quarters that little has been achieved so far. There have been several changes to the original concept of Horizon 2000. These include modifications to the marine development in Beirut, which originally included an artificial island. This has been scrapped. Some plans for expressways have been changed or abandoned. There are to be more open spaces in Beirut, and 40 percent more old buildings are to be retained.

Changes such as these have slowed down the timetable. "But," says Mr. Hariri, "look ahead Lebanon and see. In a few months' time I think Beirut will become one big building site and a boom town again."

Initial delays in financing seem to have been overcome, and \$1.4 billion has been raised so far. "This is mainly in the power sector and for part of the telephone network," says



Nasser Chammaa, secretary-general of Solidere.

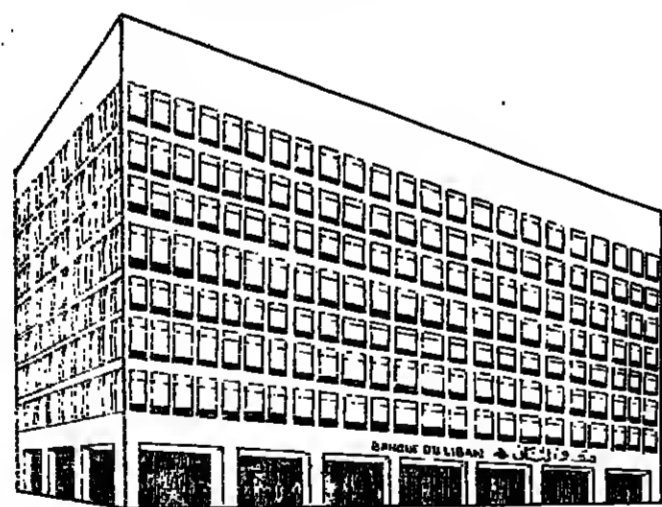
This advertising section was produced in its entirety by the supplements division of the International Herald Tribune's advertising department and is published simultaneously in the IHT and The New York Times. It was written by Michael Frenchman, a London-based writer who specializes in the Middle East, and Pamela Dougherty, a free-lance writer based in Jordan.

Inside:
Page II: Stabilized Currency's Effect, Utilities
Page III: Administration of Contracts
Page IV: Confident Banks, Millions Pledged, Building the Ideal Country
Page V: Industry's Role, Restored Port
Page VI: Revived Tourism, Archaeological Promise, Airlines

Continued on page III

Continued on page VI

THE SOLID STEADY STRENGTH



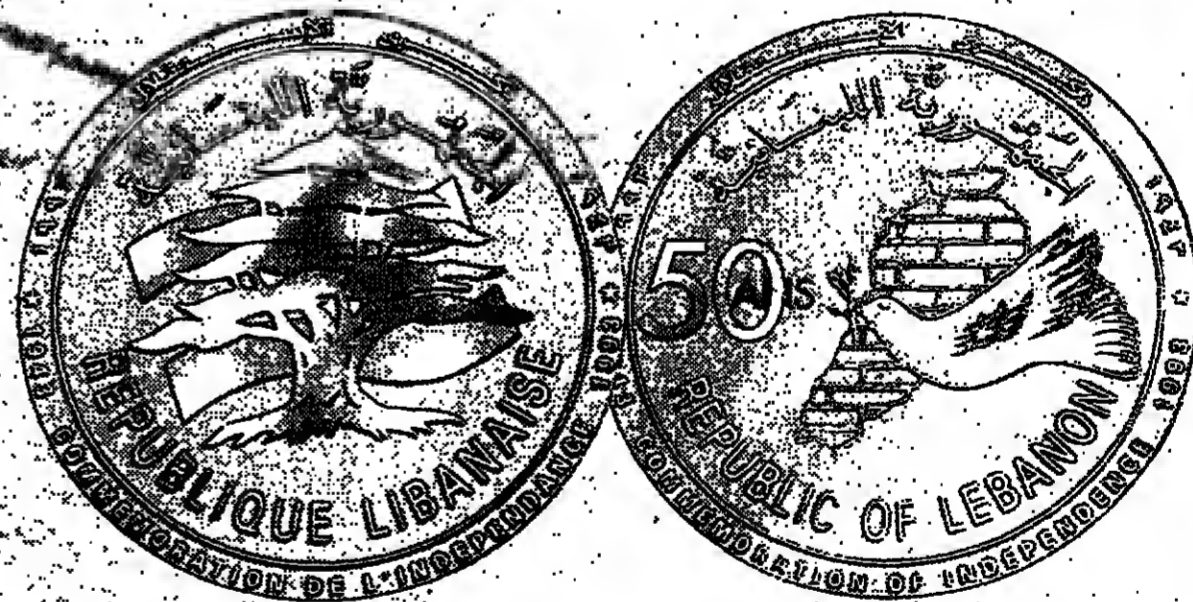
TO TAKE LEBANON INTO THE 21st CENTURY

We are playing a vital role in developing the banking and financial sectors in Lebanon. Our policy is to preserve and promote financial and economic stability. After all, we are a pillar of the Lebanese economy, in addition to actively supporting the reconstruction of Lebanon. Because, in Lebanon, we trust.

مصرف لبنان

CENTRAL BANK OF LEBANON
Mastering the challenges ahead

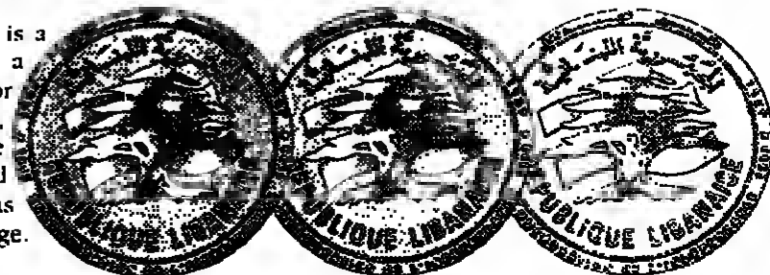
COLLECT A PIECE OF HISTORY



The CENTRAL BANK of LEBANON
COMMEMORATES
50 YEARS of INDEPENDENCE

Now is your opportunity to collect a piece of history that is reflected in a truly magnificent coin, minted in gold, silver, and copper. For the first time in Lebanese history, a commemorative coin is born. November 22nd 1993 marks Lebanon's 50th commemoration of independence. In honouring this event, the birth of a new era, and the reconstruction of the nation, the Central Bank of Lebanon has arranged for the minting of a limited number of valuable coins designed especially for this occasion.

To possess one of these historic coins is a once in a lifetime opportunity. As a proud Lebanese, whether at home or abroad, or simply as a coin collector, this is your chance to own a truly fine and valuable piece which can be passed on to your children and grandchildren as a part of their national heritage.



If you are interested in acquiring a commemorative coin, please contact the Treasury Department for further information. Tel: 961-1-341230/9 370210/1 Fax: 1-212-4782740

Stabilized Currency Has Wider Effects

The provision of all things to all people is the demand being made of Lebanon's government, an unusual turn in an economy and society that

Machinery imports reach \$300 million

have always been dominated by the private sector. But even as the government tries to reshape the economy and goes ahead with massive rebuilding plans, its main objective is to enable the private sector to return Lebanon to its place as a regional economic player. Reconstruction activity will support private-sector activity as electricity, water and communications end other services return to normal. This should also boost investor confidence in the ability of the government to deliver on its ambitious promises. Apart from the \$20 billion that the government has targeted for pri-

vate-sector investment in the rebuilding programs, efforts are being made to involve the private sector directly in the government-directed rebuilding effort.

The new mobile-telephone system, toll roads, and port and airport operations have been identified as possibilities for private initiatives. This has produced a positive response from such leading private investors as, for example, Nagib Mikati.

Fuad Siniora, minister of state for financial affairs, says many Lebanese are now beginning to realize that they can get a better return on their money from investment at home. He points to the real-estate sector as one offering possibilities of a good investment. Land that was worth \$8 per square meter in 1975 is now worth \$80 to \$100 per square meter, he says. "It may take a long time, but the Lebanese will come back and invest," Mr. Siniora says. His policy is directed to regaining authority over sources of

revenue and to rationalizing and controlling spending. So far, the policy seems to be enjoying some success, and overall economic indicators for 1993 are positive. Imports remain high at \$2.1 billion for the first half of the year, but a substantial share of the total is for re-export. Exports are also growing - slowly. With net capital inflows rising, the balance of payments moved from a September 1992 deficit of \$800 million to a \$500 million surplus by September 1993. Government revenues over the same period rose by 450 billion Lebanese pounds (\$260 million) to 1,194 trillion pounds, while expenditures were up by 266 billion pounds to 1.81 trillion pounds, cutting the deficit from 800 billion pounds to 660 billion pounds.

Revenue improvements are coming from more efficient collection - customs duties rose to \$92.6 million in the second quarter, three times their 1992 second

quarter level - rather than new taxes. In fact, the government has asked parliament to approve sharp reductions in corporate taxes, from the current 42 percent to 10 percent.

The government has now presented its 1994 budget of 3.8 trillion pounds, which includes a 12 percent growth in expenditure over 1993 and a drop in the budget deficit from 50 percent in 1993 to 42 percent in 1994.

Of crucial importance to the economy has been the stabilization of the Lebanese pound, which has settled at around 1,730 to the dollar after an all-time low of 2,382 to the dollar in September 1992. Growing confidence in the currency can already be seen in the willingness of Lebanese buyers to move from three-month and six-month Treasury bills to long-term bills.

The Ministry of Economy has set up a team to control consumer prices, but the best prospect for improved living standards is a quick-



Beirut construction permits issued in the second quarter of 1993 covered 2.7 million square meters of the city's area.

ening in private-sector activity, which would generate new jobs, and this seems to be under way.

Construction permits issued in the second quarter of the year covered 2.7 million square meters, a rise of 94.98 percent over the first quarter of the year and 4.26 percent more than the same period in 1992.

Machinery imports are expected to reach \$300 million in 1993, up from around

\$120 million in 1991 and 1992, as industrialists rehabilitate and expand their plant.

Textiles, food, clothing, jewelry, printing, packaging and light industrial goods, all traditionally strong sectors, are set to revive. Exports to the Arab states are also growing slowly, with Syria, Jordan and Saudi Arabia emerging as the strongest markets.

Pamela Dougherty

Symbols of Return To Normality

Lebanon's current surge of infrastructure redevelopment is creating notable opportunities for overseas investors and local entrepreneurs.

The full benefits will not be felt until 1994-95, but for most Lebanese they cannot

come soon enough. They have suffered from years of erratic electricity and telephone services and an almost complete breakdown of basic water supply and waste-disposal systems. Airport and port facilities have survived on little more than will power.

Good services have become a potent symbol of peace and normality, and they have undoubtedly improved throughout 1993. But the tangle of wires that festoon Beirut streets is the most eloquent testimony to

the work still to be done. The water-supply and waste-water-treatment situation is a good example: in 1982, almost all urban houses and 85 percent of rural communities had clean, piped water supplies from public systems. Today, all of Lebanon's 18 water-treatment plants have been damaged, and only 10 per-

cent of chlorinators are functioning. Ever resourceful, many people have dug wells or survived by drinking bottled water. But now they are ready for taps that flow. Sewage-treatment and solid-waste facilities are in even worse condition, with waste water from coastal communities now discharged directly into the sea and that from many inland communities into rivers and streams used for domestic water supplies by downstream communities. For 17 years, most solid waste has been dumped along major roads or along the seacoast.

Immediate work is needed to repair or replace waste equipment, develop new landfill areas, establish a major incinerator plant and rehabilitate the existing compost plant on the edge of Beirut.

The Council for Development and Reconstruction is now signing contracts for a program that goes beyond rehabilitation and is meant to equip the country with the infrastructure needed to re-establish it as a regional commercial and industrial center.

The program will also ensure that for the first time in its history, Lebanon will have a balanced geographical and sectoral distribution of resources, part of the overall effort toward national reconciliation.

Priority areas for utility expansion include electricity and telecommunications, which underpin most other development. Major contracts for electricity-supply repair and expansion have been signed, and those for a new public switching telephone network of one million lines and a global system for mobile-ara due before the end of 1993.

Contracts for work in the water, waste-water and solid-waste-disposal sectors are also close.

A notable feature of the process is the high level of interest shown by international contractors. A total of 61 companies applied for prequalification for work on the estimated \$350 million in contracts for the rebuilding of Beirut airport, and 23 of them have now been pre-qualified. Conspicuous by their absence are U.S. companies, kept out of the market by a continuing State Department ban on travel to Lebanon.

The tight competition between companies has already helped to push some contract prices down, notably in the telecommunications sector.

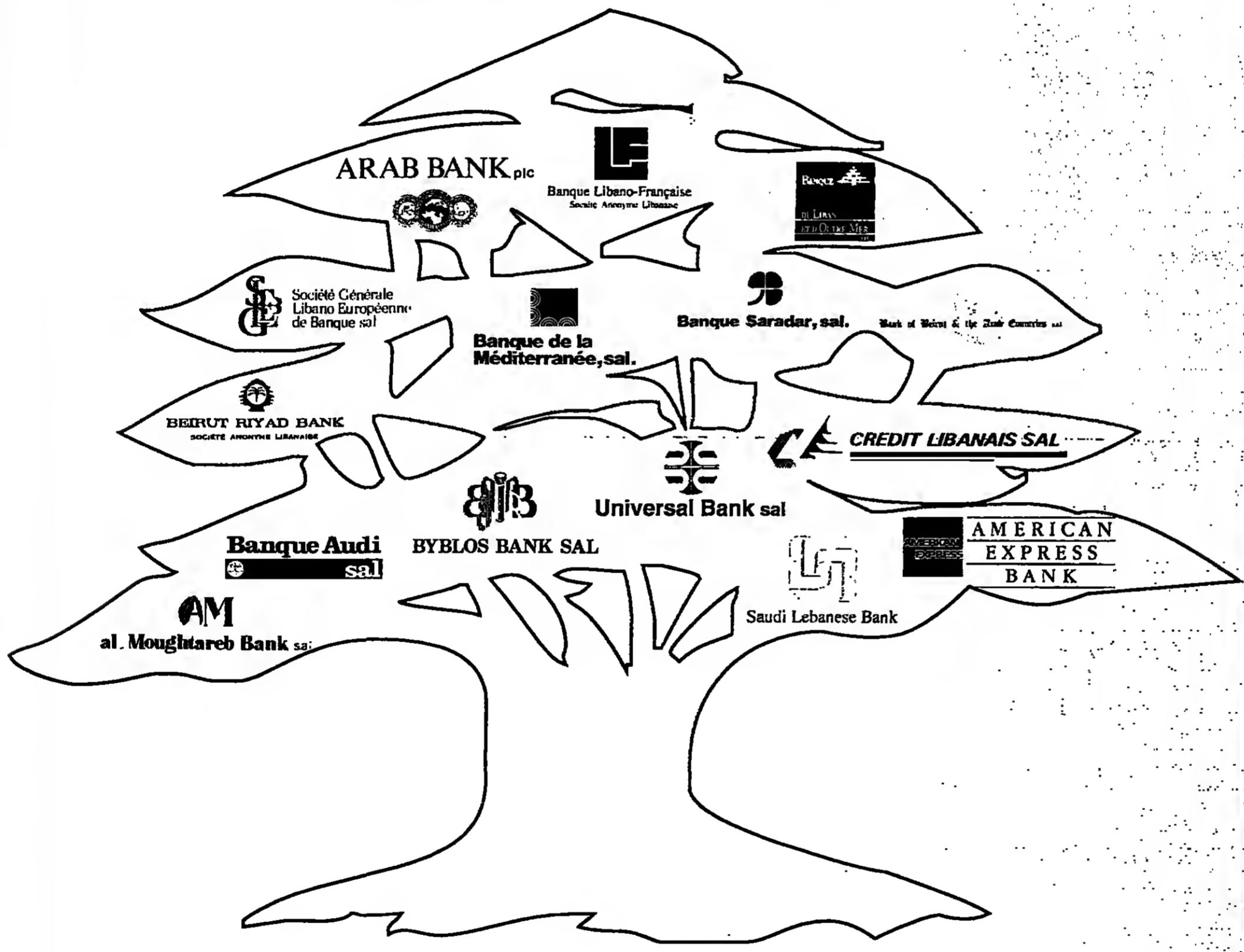
The scale and complexity of the work to be done is enormous, and work in the Beirut area is now being supplemented by a special \$1.983 billion Suburbs Development and Motorway Construction Program, which is headed by Ghassan Tahir, a member of the prime minister's advisory team and adviser to the Council for Development and Reconstruction.

Mr. Tahir says the program includes \$1.1 billion for the building or rehabilitation of around 330 kilometers of motorways. This will reintegrate the fragmented regions of Lebanon and strengthen connections with other Arab countries. Work will include a coastal road, a major highway between Beirut and the Syrian border to connect with the Arab motorway and a new Bekaa-Syrian border road passing through Baalbek.

The second major element of the program is a \$200 million rehabilitation effort in the densely populated northern and southern suburbs of Beirut.

The Saudi Fund for Development has recently signed a \$130 million soft loan for Lebanon, some of which will be used for the suburbs program. Work includes from street rehabilitation (even basics such as storm-water drains and street lighting have become a rarity in most of Beirut), school, university and hospital building, renovation of government buildings and the development of new access roads into the city.

P. D.



A deeply rooted commitment to Lebanon

Association des Banques du Liban

Serving the nation. Serving the people

Public-Graphics

سكدا من الأصيل

Building Contracts Must Be 'Cleaner Than Clean'

After a number of political and bureaucratic delays, some of the major works in the reconstruction of Beirut and the Lebanese infrastructure are now going ahead. They represent the start of what is probably the biggest construction program in any one city in the world. Total expenditure for the first phase is put at more than \$10 billion, and 100 contracts will have been awarded by next January.

Difficult blending of old and new

Council for the Development and Reconstruction of Beirut (CDR), bids for some \$2.4 billion worth of projects have been either agreed upon or submitted. "At the moment, we are looking at about 100 individual projects," says Mr. Chalak. "There is very

severe competition and overwhelming international interest in what we are trying to do."

Mr. Chalak is the man in the hot seat when it comes to deciding who does what. "We have a board of 12 directors in CDR who meet twice a week to look at projects and tenders," he says. "I've learned how to be patient, to use my own judgment and to apply pressure when it is needed so that we can get things done. Very strict rules are being applied to the submission of bids, which are opened in public and filmed by video cameras. When we say bids must be in by 12:00 midday, we mean 12:00 and not 12:10."

Mr. Chalak adds that it is vital that the CDR is seen to be cleaner than clean. "We have to be very strict with these tenders because this country needs to raise the level of international credibility," he says. The CDR is the central



Projects worth \$2.4 billion are before the Council for Development and Reconstruction.

tendering committee and acts on behalf of the Council of Ministers and reports directly to the prime minister. The CDR is also responsible for formulating the overall planning and securing financing for the implementation of its programs.

The CDR was originally conceived in 1977. In 1991, a new executive team joined the board. The CDR has an all-Lebanese staff of 140, including 60 professionally qualified experts who, in conjunction with a number of consultancy firms, appraise and prepare tender documents. The CDR is often able to compensate for the shortage of qualified administrators in the public sector and sidestep unnecessary bureaucracy.

"Our administrative status gives us some flexibility," says Mr. Chalak. Answering criticism that the CDR has been slow in getting projects off the ground, he replies: "In certain things we are on target. It all depends on the funding. On some project financing that is being done by Lebanese, we are in fact ahead. Unfortunately, with some of the funding agencies, things are taking a little longer because of little bureaucrats with little com-mas."

Mr. Chalak, an engineering consultant for many years, is a man who does

not suffer fools gladly. "In this job, I have learned how to get tough," he says. "To do this, you need two things - to know your work, and to push. If you don't know, you can't push."

Nohad Baroudi, CDR's secretary-general, says contractors have learned how to get tough. He points out that the CDR evaluation committee members are only given 10 minutes' warning before being chosen for a meeting. "We are doing our best to maintain the highest integrity," says Mr. Baroudi. Even having a top joint-venture partner or agent does not always help. He cites the case of the French company Bouygues, which has won some key contracts in the electricity distribution field without having a single representative in Lebanon.

Both he and Mr. Chalak emphasize to contractors that they must abide by the rules, prepare and submit the documents as specified to the letter and, above all, present them on time.

Next January, when the offer to the public of shares in the Beirut reconstruction company, Solidere, closes, will be a key month. "By that time, we should have all the final designs and tender documents for some of the major works, which will be

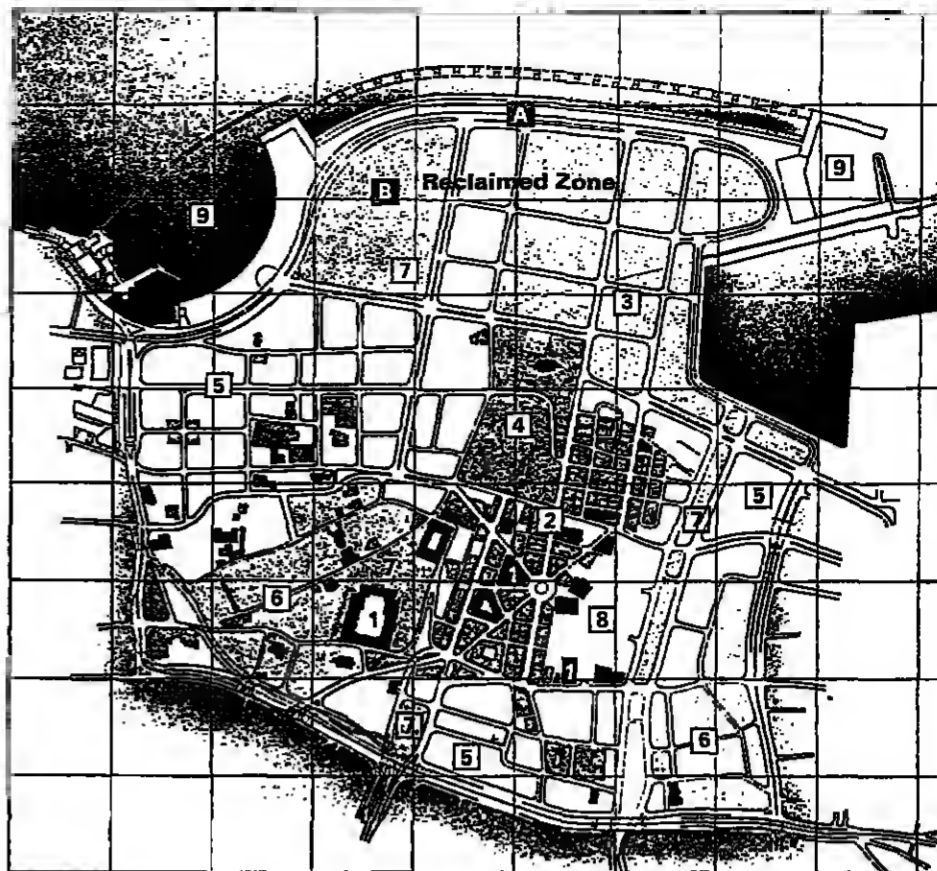
studied at the inaugural meeting of Solidere and in discussion with the CDR," says Nasser Chammaa, secretary-general of Solidere.

One of the first steps will be to go ahead with the marine development on the central north shore of the city, Normandy Beach, which has become an enormous garbage dump and major health risk over the last 17 years. Now 450,000 square meters of this area are to be reclaimed and turned into marine walks and parks, with some new buildings.

Mr. Chammaa explains that a total of 1.5 million square meters of land will be redeveloped over the next six years as part of the Beirut Central District reconstruction. The work will be split into three main contracts - the marine reclamation, the infrastructure and utility services, and the construction and restoration of the city center.

The original master plan for the center of Beirut has been changed considerably and has evoked considerable criticism.

"The challenge is to get a coexistence between the old and the new," says Mr. Chammaa. "It has been very difficult to get some of the changes made to the old master plan for environmen-



The Main Features of the Plan

- 1 Public & religious buildings
- 2 Preserved historic core of the city (pedestrian priority area)
- 3 Financial district (mixed use of offices, recreational & shopping facilities)
- 4 Traditional old souk area (pedestrian - retail area)
- 5 Mixed use areas (commercial, office, hotel, residential)
- 6 Residential area
- 7 Public parks & squares
- 8 Archeological excavation area
- 9 Marina
- A Tree-lined seaside promenade
- B Seaside park

tal and aesthetic reasons. People found it difficult to understand the original concept, which in any other country would have been regarded as a discussion document."

The center of Beirut is a blitzed site, reminiscent of old newsreel pictures of Dresden after it was bombed in World War II. The damage is horrific, and it seems at first sight unlikely

that anything can be worth saving. In fact, at least 266 buildings (about 15 percent of the existing ruins) are to be restored, and new ones are to be merged with them to produce a dramatically restored city center.

"It is the first time that something on this scale has ever been attempted and presented to the international community as a global investment project," says Mr.

Chammaa. "It is going to have a very significant effect on the development of Lebanon, and over the next five years, I think it will have a 10 percent impact on the GDP of this country. In spite of all the difficulties and the criticism in the past, which has not always been objective, I have always had this feeling that this project would happen."

M.F.



Bullets poured into this building during the bad times. The inhabitants now look forward to a brighter future.

Back in Business

Continued from page 1

for peace but for peace of mind. I believe we are all working toward one Lebanon."

Mr. Berry, a supporter of Lebanese unity and of the Lebanese-Syrian economic agreement, believes, however, that Lebanon cannot move toward full democracy until it abolishes the "confessional" system of government. "It is an obstacle," says Mr. Berry, pointing out that many Beirut Christians boycotted the last election because of the electoral system.

Another person who is working to create unity and restore Lebanon to its former glory is Mr. Hariri, a Sunni Muslim, banker, engineer, peacemaker and, it has to be said, a reluctant career politician. He has turned out to be the hor-

Resilience survived 17 years of war

est broker between the warring factions of Lebanon's bitter civil war, a role that he first took on in 1983 at the Lausanne Conference. This was followed by the Taif accord, which laid the foundations for political reconciliation. One year ago, he was appointed prime minister of a coalition government that has so far worked without too much strife.

"There is no doubt that the situation is better every month in spite of the many difficulties," says Mr. Hariri. "There is unity, and we are definitely on the right track."

In addition to maintaining its sovereign independence, Lebanon should play a greater democratic role in the region, Mr. Hariri says.

Commenting on the peace accord with Israel and the PLO, Mr. Hariri expresses concern about the fate of the 350,000 Palestinians in Lebanon, the withdrawal of Israeli forces from Southern Lebanon, and relations with Syria, which has 20,000 "guest troops" in Lebanon.

Most of all, Mr. Hariri would like to see the United States working toward a global and comprehensive peace in the area. "There is no turning back on our side," he says, "and no turning back for Syria either." He is adamant that Syria wants an agreement for global peace in the region and adds that any further peace moves are up to Israel. "The ball is in their court," says Mr. Hariri, adding that Israel's total withdrawal from southern Lebanon was the key.

President Hrawi confirms this. "We are ready to sign a peace treaty, to guarantee peace with Israel on condition that they withdraw," he says. "We are ready to do this now. Lebanon is guaranteeing peace on the border with Israel, and not one bullet will be fired."

Mr. Hrawi alleges that the recent Israeli raids into southern Lebanon and the consequent fleeing of thousands of Lebanese refugees northward to the Beirut area was aimed at creating massive economic problems for the Lebanese government. "It was also aimed at discouraging Lebanese expatriates from returning with their money and thus hindering the reconstruction plans," adds Mr. Hrawi.

There are said to be more than 10 million Lebanese overseas, mainly in the United States, Canada, Africa, Australia and South America. Their total wealth could constitute a major economic force if more capital was repatriated to Beirut. According to the Central Bank, about \$1.5 billion has returned so far this year.

"We are making every effort to tell our own people and the world as a whole that we are now a serious government," says Mr. Fouad Saniora, minister of state for finance, who expects a surplus in the balance of payments by the end of the year. "We have regained the unity of our country, and we have regained control over every part of the country and every source of revenue."

Riad Salamah, governor of the Bank of Lebanon, says, "Our biggest problem is to keep a sound monetary system and to keep financing the reconstruction - that is the real challenge for us." He explains that the government needs \$4 billion over the next 10 years, which must be raised without enlarging the local economy. By the end of this year, Mr. Hariri hopes to have raised from international sources a total of around \$2 billion for the redevelopment program. Other monies will come from budget revenues, particularly more effective tax collecting.

"There has always been a tradition of tax evasion in this country, but now we are trying to do everything to regain the confidence of the public and reduce the emigration that existed between people and the state," says Mr. Saniora.

While there are many problems - rehousing the million or so displaced persons, restoring the country's infrastructure, overhauling the banking system and creating new investment opportunities - there is also a vibrancy and resilience that few countries could have sustained after a 17-year war.

"We have learned to put the interests of the country before that of the communities," says Mr. Saniora. And that message seems to be getting through to the Lebanese, who once again stand on the threshold of opportunity - given a real regional peace.

Michael Frenchman

INDEVCO - GROUP

INDEVCO MAKES ALL ITS DIVERSIFIED RESOURCES AVAILABLE TO PROMOTE AND IMPLEMENT INDUSTRIAL VENTURES IN LEBANON.

Now that the guns are silent, Lebanon is moving forward to develop its economy. INDEVCO - a leading manufacturer in the Middle East of consumer and sanitary paper tissue, plastic and corrugated carton containers, agricultural and industrial plastic films and wood products - is well positioned and committed to undertake an active part in the reconstruction process.

INDEVCO has grown six-fold during the last 16 years of turmoil despite adverse conditions. Currently a tissue mill is being erected. Textile and rubber projects are under study.

INDEVCO can also capitalize on its network of subsidiaries in Saudi Arabia, Brazil and the United States of America to provide international management experience and know-how. Being committed to substantial investment in Lebanon, INDEVCO is looking for the right partner to develop industrial ventures benefiting from the economic advantages that Lebanon presents through its privileged geographic location, competitive labor cost, and highly skilled multilingual resilient people, not to mention its deeply rooted free economy.

INDEVCO - LEBANON

P.O. BOX 11-2354 TEL : (09) 953600/4
FAX : (09) 953503 TLX : 45358

WE'VE PLANTED A CEDAR IN THE SKY.

Join us for a spirit lifting sensation. After all, we've been soaring the skies for nearly fifty years, providing our passengers with utmost care and comfort. Dedication and professionalism have made us the most experienced airline in the Middle East. Determination and commitment kept us going, and allowed us to expand. Here lies our pride. In spite of all the hardships, we've been able to plant the cedar of Lebanon high in the sky, and higher before the eyes of the world. Welcome aboard... Let it be MEA.

THE MIDDLE EAST AND THE FAR EAST

MEA
MIDDLE EAST AIRLINES
INTERNATIONAL NETWORK

ATHENS
BERLIN
BRUSSELS
COPENHAGEN
FRANKFURT
GENEVA
ISTANBUL
LONDON
MADRID
MILAN
NICE
PARIS
ROME
ZURICH

AFRICA
ACCRA
FREETOWN
KANO
LAGOS
MONROVIA
TRIPOLI
TUNIS

ABU DHABI
ADEN
AMMAN
BAHRAIN
CAIRO
DAMASCUS
DHAKA
DUBAI
JEDDAH
KHARTOUM
KUWAIT
LARNACA
MUSCAT
RIYADH

OD-MEA

ADVERTISING SECTION

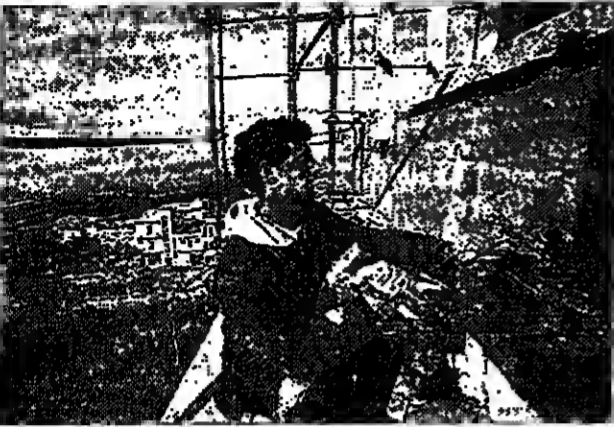
Newly Confident, Banks Seek Expansion

After three years of peace, Lebanon's banking and financial system is emerging from a period of drastic change. Commercial banks, having "cleaned" their balance sheets, now plan to introduce new investment products and technology, and to seek greater international credibility.

Banking, investment and company legislation is being changed so as to create a more active environment for the banking sector as a prelude to the reopening of the stock market. In 1992, there was an overall 37 percent growth in banks' assets, measured at constant prices.

The banks are having to cope with massive inflows of capital from Lebanese expatriates. This swelled the deposit base to \$8.5 billion at the end of last year. According to Mr. Riad Salameh, governor of the Central Bank of Lebanon, some 70 percent was in U.S. dollars, and during the first part of this year, an additional \$1.5 billion came into the system. There has also been a conversion of more than \$1 billion to Lebanese pounds, "which shows confidence in the future of Lebanon."

Dollars are extensively used on a day-to-day basis by visitors when paying in hotels, restaurants, shops and taxis, and all higher prices are listed in dollars. Inflation has eroded the value of the Lebanese pound, which was 5.94 to the U.S. dollar in 1984 and is about 1,720 to the dollar today.



One of the challenges facing banks: Finding the finance for rebuilding the country.

This has made it impractical to use the Lebanese pound, as the largest note in circulation is 10,000 pounds. The central bank will issue new 20,000-pound and 50,000-pound notes in about six months' time.

Mr. Salameh described as a "confidence factor" the fact that people are now investing more in the long term. "Investment used to be only for three months, but now we are seeing investors buying two-year notes," Mr. Salameh says. "It looks as though there is more optimism about."

Once parliament has approved legislation, longer debt instruments will be introduced as well as other products to help encourage a secondary market. Mr. Salameh is also keen that banks develop more non-balance-sheet activities once the law has been changed. Some banks have already begun to introduce new products — mortgage bonds — ahead of the impending changes.

François S. Bassil, chairman and general manager of Byblos, the ninth-largest bank in terms of total assets (\$309 million), has started issuing personal loans and certificates of deposit, and he plans longer-term house financing (the present limit is 36 months). "We hope to do more trade, finance and business investment in the future, including some short-term industrial financing," says Mr. Bassil.

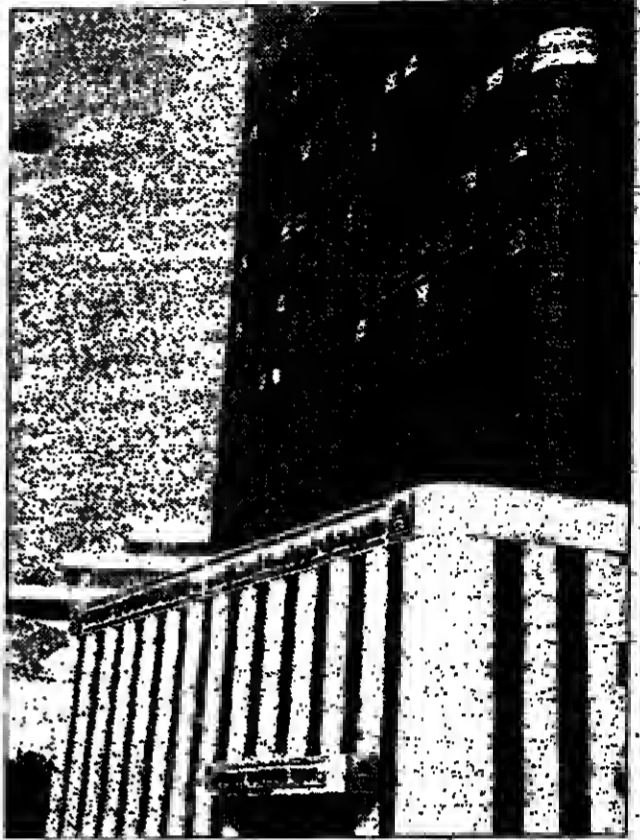
Banque Audi, the sixth largest, with assets of \$374 million at the end of 1992, is also planning for a new era of banking in Lebanon. "We are now fully computerized and were one of the first banks to be so," says Mr. Raymond Audi, chairman and general manager. "We have a full on-line system and hope to have this in real time before long." The bank has 19 branches and expects to open another two before the end of the year. It is also the only Lebanese bank to have a network in the United States (New York and Los Angeles), in addition to France and Switzerland. "We like to follow our customers," says Mr. Audi.

One of the problems ahead for Lebanese banks is to meet the Bank of International Settlements' capital-asset ratio of 8 percent. This is expected to force a number of mergers among the country's 77 banks, of which only about 25 are truly active. Banque Audi, which had a \$12 million cash injection last April, expects its ratio to reach 10.5 percent by the year end.

Some foreign-led joint ventures are expected as newcomers arrive (one of the latest is Crédit Lyonnais). While the central bank welcomes the arrival of foreign banks, it is hoping to establish some guidelines to prevent



Banks move into a new era: Above, training staff on computers, and right, Crédit Lyonnais opens a Beirut branch in the shadow of a damaged building.



them from competing unfairly. "There have been very few mergers so far," says Mr. Audi. "It will depend on the pace of normalization. Every Lebanese wants to be a banker, or to own a bank, and it is prestigious to become a board member of a bank here."

The largest and most successful bank today is Banque du Liban et d'Outre-Mer, which had total assets of \$700 million at the end of 1992, according to Naaman Azhari, president and director general. Customer deposits, which were just under \$600 million at the end of 1992, have increased by 26 percent, and at the end of September stood at \$764 million. Of this, \$505 million was in U.S. dollars. Group deposits are more than \$1.5 billion. Mr. Azhari is planning to open a new investment bank and has opened an offshore bank in Cyprus. BLOM is 60 percent Lebanese-owned. Swiss investors own 7 percent, and the remaining shareholders are mainly Saudi and Syrian.

Mustafa H. Razian, chairman and general manager of Banque de la Méditerranée, the fifth-largest bank in terms of assets (\$521 million), plans several technology innovations. "This is one of the principal changes going on now as nothing has been done to upgrade systems over the past 16 years," he says. "Not only does the bank want to improve its domestic image, but it also believes it has been too conservative in its lending position in the past. We are now looking at certain investments that we would not have considered before — investment risks have now subsided." Mr. Razian hopes that a developing capital market will help to meet local investment needs. M.F.

Computerization adds to customer services

Bank in terms of total assets (\$309 million), has started issuing personal loans and certificates of deposit, and he plans longer-term house financing (the present limit is 36 months). "We hope to do more trade, finance and business investment in the future, including some short-term industrial financing," says Mr. Bassil.

Aiming to Build the Ideal Country

"I am Lebanon" is the literal translation of the name of a new nonprofit making association recently created in Beirut. The aim of Ana Lubnan is to build an image of an ideal country as a source of inspiration for its citizens, and as a source of confidence for would-be visitors, investors or returning citizens.

The difficult aim is to promote "good citizenship" after 17 years of bloody civil war that brought the society and its structures to near chaos. Ana Lubnan is conducting media and public-awareness campaigns on such issues as respect for law and order, road safety, the environment, hygiene and litter-free streets. It is encouraging participation from other associations concerned with these problems.

The project was born two years ago, when Mustafa Assaad, current world president of the International Advertising Association and president and CEO of PubliGraphics, the leading Mideast

advertising agency, published an emotional appeal to the Lebanese abroad to come back and invest their human resources, if nothing else, in the rehabilitation of their country.

TV, billboard and press campaigns followed, prompting a group of concerned citizens from all walks of life — businesspeople, bankers, scholars and people in the media and advertising — to get together and form a framework for action.

The 50th anniversary in 1993 of Lebanon's independence provided an occasion to rally the dreams and energies of postwar Lebanese society. In November, Ana Lubnan launched a year-long campaign to encourage the emergence of ideal Lebanese citizens: law-abiding, respectful of the environment, aware of their duties and responsibilities, and willing to roll up their sleeves to rebuild their country.



Other hotels may overlook delicate details, we don't.



In the heart of Beirut, lies the Bristol Hotel. Gracious hospitality, impeccable service, excellent cuisine, and much more. 24-hour valet service and full business assistance around the clock. Because you deserve the finest in traditional Lebanese hospitality, the details will always be there.



BRISTOL HOTEL

Tel: 961.1.351400 - 346388 Tlx: BRISTO 20710 LE - 42830 LE Fax: 961.1.351408 Cable: BRISTOTEL - BEIRUT

Millions Pledged to Help Rebuild Beirut

The sale of \$650 million worth of shares for the Beirut city center redevelopment company, Solidere, which went on offer beginning Nov. 1, is going according to plan. The offer, made through 22 Beirut banks, closes next January and is the start of a campaign to raise some \$10 billion for the first phase of the rebuilding of Beirut and the war-torn infrastructure of Lebanon. A total of \$1.9 billion is needed immediately.

The 10-year Horizon 2000 program will result in an average 59 percent of GDP over the period. Debt service payments are forecast to be no more than 6 percent. Gross financing requirements for the recovery program might reach as much as \$18 billion, including budget deficits and repay-

ment obligations. "We are not borrowing to buy bread," says Fouad Saniora, minister of state for monetary affairs. "We are borrowing to invest, and we have already received pledges of \$1.4 billion."

With more than 10 million Lebanese living overseas and 4 million in the country, there is every expectation that the direct Lebanese contribution to funding the reconstruction will be substantial. Some bankers estimate that there might be as much as \$40 billion held by Lebanese expatriates; others put the figure lower.

What is certain is that the initial \$650 million share sales for Solidere will be the catalyst for further funding. Solidere will act as real-estate managers and developers for the area involved, the Beirut Central District. It will ensure that all the infrastructure works are executed and will rebuild and restore certain buildings. The property owners in the district, about 150,000 titleholders, get first preference for the "A" shares on offer, and 6.5 million "B" shares are available at a par value of \$100 each for any Lebanese or Arab investors. Solidere's shares will be listed on the Beirut Stock Exchange when it reopens.

Rafic Hariri, the prime minister and prime mover behind the Beirut recovery plan, has personally been responsible for helping to raise other parts of the funding. In the last three months, he has visited the United States, Europe, North Africa and the Gulf states to help raise finance.

"I have had pledges of about \$1.4 billion to date, and we are negotiating over a further \$800 million for the power station project," says the prime minister. While the initial reaction to his requests for funding were well received, some pledges have not lived up to expectations. Some economic observers in Beirut suggest that some countries and agencies are holding back because of the Israeli-PLO agreement. Some bankers are said to feel that the new needs of the Palestinians may be greater than those of Beirut.

Mr. Hariri started his fund-raising mission at a meeting with the Arab League foreign ministers in Damascus in late July, at which some \$500 million was pledged. He also held a conference in Beirut attended by more than 200 Saudi Arabian and other Gulf investors. Early last September, Mr. Hariri and Esmer Abd Al-Maguid, secretary general of the Arab League, visited the Gulf countries.

Abu Dhabi promised to pay its full quota of \$75 million in cash. Kuwait said it would provide a similar amount, going back on an earlier promise in Damascus of \$100 million. Saudi Arabia was also reluctant to pay its promised \$200 million. Instead, it offered \$150 million in cash and said the remaining \$50 million would be for equipment for the Lebanese Army and Internal Security Forces.

Oman has promised \$10 million and has so far paid \$2.5 million. Bahrain has offered \$10 million, and Syria has paid the whole of its promised \$10 million in the form of construction materials. Egypt has promised \$10 million worth of aid, mainly as construction materials and equipment for the Lebanese Army. Another \$10 million is due from Morocco.

Other financing includes \$29 million from the United Nations, of which \$15 million will go toward rebuilding houses and apartments. The European Investment Bank and other EC agencies are also providing funds. The World Bank, Islamic Development Bank, the Kuwait Fund and the Arab Fund are among the other aid providers. Approximately 16 donors are involved in the promised total of \$1.4 billion for the official funding. This does not include \$130 million from the Saudi Fund.

Funds are needed for infrastructure works in the northern and southern suburbs of Beirut and road repairs and construction elsewhere in Lebanon, including the Lebanese University, teaching institutes, schools and hospitals. The total needed for these works is approximately \$1.9 billion.

Money is being raised not only for the Horizon and central Beirut programs but also for general real-estate and commercial ventures. A group of investors led by the Al-Habtoor Group of Dubai in the United Arab Emirates has launched a \$30 million luxury housing project in the Jannhour area overlooking Beirut.

A Saudi Arabian investment group is expected to fund an \$80 million housing and commercial complex with tourist facilities in the Dalramiyah hills overlooking the Sa'adiyyat coast, south of Beirut.

M.F.

THREE NAMES AT THE SERVICE OF A BIG NAME

LEBANON



INVESTCOM HOLDING
Telecommunications Power Plant
Tel: 961-1-861962
Fax: 1-212-4781211



T. GARGOUR & FILS S.A.L.
MERCEDES BENZ A-G
Lebanon & Jordan
LECICO
Lebanon & Egypt

This is the most important message we've communicated in twenty years

Congratulations to Lebanon

on its 50th Anniversary of Independence.

PubliGraphics

Beirut, Omer Shah Bldg., Verdun Street, P.O. Box 5716
Tel: 22013 Beirut LE Tel: (961-1) 35411725 - 353336 Fax: (961-1) 340921
AMMAN - BAHRAIN - CAIRO - DAMASCUS - DUBAI - ISTANBUL
JERDAN - KUWAIT - LONDON - PARIS - RIYADH

Does Industry Need Some Protection?

To protect or not to protect is a big question for Lebanon's manufacturing sector. In a resource-poor country where 80 percent of raw materials must be imported, industry has never been a dominant sector of the economy, but Lebanese goods enjoy a reputation for quality and style that was maintained even during the worst days of the war.

The constraints facing industry are daunting, and some industrialists believe that a level of government support is necessary to counteract them. An obvious problem is the lack of infrastructure. Lebanese businesspeople have be-

come adept at working with generators and satellite telephones, but such private services push up production costs. A shortage of reasonable medium- and long-term credit is another barrier, especially for new investors, who at present can find only short-term loans at interest rates of 10 percent and higher. Some help is coming from the International Finance Corporation, which in June agreed to provide \$45 million in long-term credit to five local banks for on-lending to private business.

Joint venture with Russia is set up

Studies are also under way on the revival of the formerly government-owned Industrial Development Bank. Some think that the bank, along with the specialist Housing and Agriculture Banks, should be re-established with an 80 percent private-sector and 20 percent government ownership. A third serious problem is the loss of skilled workers to the Gulf states or to other permanent migration. Many of the workers who stayed have lost the habit of regular work but are protected by labor laws that have not changed in decades, although Fabah Idriess, general secretary of the Association of Traders, believes that given decent salaries, most workers would be happy to learn new skills and better work habits.

The experience of the industrial sector throughout the war suggests that it will be able to bounce back quickly. When fighting was bad, many companies moved to the greater safety of the mountains or relocated out of Lebanon altogether. Despite this, Lebanese ready-to-wear clothing and food products remained among the best in the region. As with much of Lebanese life, it is the quality and style they demand for themselves that the Lebanese are able to offer to others.

Now companies are keen to start working normally, and the traditionally strong sectors of food, clothing, textiles, jewelry, pharmaceuticals, printing, packaging and light industrial goods are seeing new investment. Many companies are placing their emphasis on installing state-of-the-art computerized equipment that they believe will help them to maintain their traditional edge over regional competitors. Machinery imports reached \$120 million in 1991 and 1992 and are expected to jump to \$300 million in 1993. Industrial credits to June 1993 were up 76.1 percent, to \$25.7 million.

Building-related industries are benefiting from the overall reconstruction effort. Lebanon's cement companies have enjoyed in the second quarter of 1993 a 29.8 percent growth in cement deliveries compared with the same period in 1992. The Sibline Cement Plant is investing \$40 million in a new production line and Lecico, a plant owned by Taoufik Gargour, is investing a similar amount in new facilities.

Agro-industry offers good prospects as well. Future Pipe Industries is working with U.S. interests on a \$20 million scheme to produce pipes for water supply and irrigation projects in Lebanon and Syria. A planned second phase will include production of polyvinyl chloride (PVC) and polyethylene pipes.

The Association of Lebanese Industrialists would like to see a customs regime that offers some protection to local industry to enable it to get back on its feet. The Association of Traders believes this will just push up costs and lower standards. Mr. Idriess is uncompromisingly in favor of some government help. "Industry should either have a chance to live or not," he says. He would be happy to see government actions to help industry in many areas, including a rapid re-establishment of the industrial free zone at Beirut airport.

Lebanese industrialists generally agree on the country's potential markets, and they are looking east to the Arab world rather than to Western Europe, where many potential buyers are still doubtful about regular supply. In the short term, the best prospects for Europe and the United States are specialty areas, such as traditional foods and jewelry, where Lebanese companies already have a track record.

Syria, Iraq and Jordan are the best prospects for Lebanon's industry, and all now offer free access for Lebanese goods to their markets. Other options are being explored, however. The Association of Lebanese Industrialists has set up a joint venture with the Federation of Rus-

sian Industrialists to export food products and pharmaceuticals and to import metals, iron, wool, timber and cement. Mr. Idriess believes it would be a mistake to overestimate Lebanon's industrial potential. The Lebanese are "born

traders, not born industrialists," he says. But with products that require skill and creative flair, he believes, the Lebanese can find a profitable place, first in the regional market and then in the wider world.

traders, not born industrialists," he says. But with products that require skill and creative flair, he believes, the Lebanese can find a profitable place, first in the regional market and then in the wider world.

traders, not born industrialists," he says. But with products that require skill and creative flair, he believes, the Lebanese can find a profitable place, first in the regional market and then in the wider world.



International cooperation helps industry: Steel wire from Russia waits in Beirut to be made into building material.

traders, not born industrialists," he says. But with products that require skill and creative flair, he believes, the Lebanese can find a profitable place, first in the regional market and then in the wider world.



Restoring Beirut port: The first phase will cost \$126 million; the second phase, costing \$1 billion, starts in 1996.

Restored Port Finds Place in the World

One of the first successes of Lebanon's government at the end of the civil war was to close the illegal ports that dotted the country's coast and restore Beirut to its central role in the country's international trade. The government is now moving toward defining Beirut's post-war role in the wider Arab region.

In the past three years, the port's revival has been impressive. Traffic has risen from 2,237 vessels and

terminal, all at an estimated cost of \$1 billion. The physical rebuilding of the port is relatively straightforward; what is more of a challenge is to define its role in a world that has changed radically during the 17 years of the civil war.

In the mid-1970s, Beirut could lay claim to a natural role as the access point between the rest of the world and the Arab hinterland, offering a central geographical position, superior port facilities and the backup of an active financial sector.

Europe may emerge as principal target

Now the world has moved on. While Lebanon was at war, sophisticated Gulf ports, free zones and financial services were developed, and Jordan's port of Aqaba emerged as a major supply point for Iraq. Rapid advances in the peace process mean that Israeli and possibly Palestinian ports could also join the competition.

Some Lebanese observers see a Lebanese, Syrian, Iraqi trade axis developing alongside a possible Israeli, Palestinian, Jordanian link. Others think that Lebanon should accept that its dominance in the Arab world is not likely to be regained and concentrate on Europe, including the emerging Eastern Europe, as a target.

What is most likely to develop is the pattern suggested for the Lebanese economy overall — a mixture of all elements rather than reliance on any one of them.

The long-term question of administration of the port is still to be settled. Lebanese business is strongly pro-market, and the government is keen to encourage private activity, but no private interests are likely to be willing to spend the massive amounts needed to rebuild the port. The government would be reluctant to lose port revenues at a time when it is looking for a budget surplus to fund Lebanon's general reconstruction effort.

The project includes a financial complex overlooking the Mediterranean and Lebanon's mountains, hotels, shopping areas, centers for the arts, recreational parks, promenades on the waterfront, marinas, gardens, and a public park built over reclaimed land.

The renovation of government buildings and the restoration and development of residential areas, improved road networks, parking spaces and public transport are also part of this undertaking aimed at creating a quality urban center in the heart of the Lebanese capital.

Beirut will then be able to assert and strengthen its traditional role as financial, cultural and recreational center for the region.

SOLIDERE is investing in the future of the Central District and is forward looking and also solidly anchored in the city's noble past. From a financial point of view, it will benefit property owners and investors. But from a broader point of view, it will give us all a reason to be proud.

We've Invested in the Future Of An Ancient City.

For almost two decades, the once thriving city center of Beirut fell hostage to a war that virtually destroyed it. Today, with the re-establishment of peace and stability in Lebanon, its reconstruction is about to be launched. The company that will undertake the project is SOLIDERE, the Lebanese Company for the Development and Reconstruction of Beirut Central District.

This will be the world's major urban redevelopment project of the 1990's. The area affected by it, located geographically at the heart of the city and once the hub of its commercial, administrative and financial activity, represents 1.6 million square meters of municipal Beirut.

The project involves the construction and restoration of 4.4 million square meters of built-up space, as well as the total rehabilitation and upgrading of the area's infrastructure.

The project includes a financial complex overlooking the

Mediterranean and Lebanon's mountains, hotels, shopping areas, centers for the arts, recreational parks, promenades on the waterfront, marinas, gardens, and a public park built over reclaimed land.

The renovation of government buildings and the restoration and

development of residential areas, improved road networks, parking spaces and public transport are also part of this undertaking aimed at creating a quality urban center in the heart of the Lebanese capital.


Beirut will then be able to assert and strengthen its traditional role as financial, cultural and recreational center for the region.

SOLIDERE is investing in the future of the Central District and is forward looking and also solidly anchored in the city's noble past. From a financial point of view, it will benefit property owners and investors. But from a broader point of view, it will give us all a reason to be proud.

SOLIDERE shall be a joint-stock company formed between property rights holders in the Central District (proprietors and lease holders) and prospective Lebanese and Arab investors on the basis of a new law facilitating the creation of private companies for the urban development of zones afflicted by the war.

SOLIDERE shall operate within the guidelines of an officially approved Master Plan and enjoy continuous government support.

SOLIDERE is certain to transform much of the hope of the Lebanese into reality, making it possible for Beirut to regain its role as a thriving regional center of commerce, tourism and culture.



**BOARD OF FOUNDERS
SOLIDERE**

SOLIDERE shall be a joint-stock company formed between property rights holders in the Central District (proprietors and lease holders) and prospective Lebanese and Arab investors on the basis of a new law facilitating the creation of private companies for the urban development of zones afflicted by the war.

SOLIDERE shall operate within the guidelines of an officially approved Master Plan and enjoy continuous government support.

SOLIDERE is certain to transform much of the hope of the Lebanese into reality, making it possible for Beirut to regain its role as a thriving regional center of commerce, tourism and culture.

development of residential areas, improved road networks, parking spaces and public transport are also part of this undertaking aimed at creating a quality urban center in the heart of the Lebanese capital.

Beirut will then be able to assert and strengthen its traditional role as financial, cultural and recreational center for the region.

SOLIDERE is investing in the future of the Central District and is forward looking and also solidly anchored in the city's noble past. From a financial point of view, it will benefit property owners and investors. But from a broader point of view, it will give us all a reason to be proud.

SOLIDERE shall be a joint-stock company formed between property rights holders in the Central District (proprietors and lease holders) and prospective Lebanese and Arab investors on the basis of a new law facilitating the creation of private companies for the urban development of zones afflicted by the war.

SOLIDERE shall operate within the guidelines of an officially approved Master Plan and enjoy continuous government support.

SOLIDERE is certain to transform much of the hope of the Lebanese into reality, making it possible for Beirut to regain its role as a thriving regional center of commerce, tourism and culture.

Beirut. The Ancient City Of The Future.

Board of Founders of the Lebanese Company for the Development and Reconstruction of Beirut Central District
"Banque de l'Industrie et du Travail" Building 89 Riad El Solh Street PO Box 11 9493, Beirut, Lebanon
Telephone (01) 346882, (01) 646120/1/2/3, Fax (01) 646124, Cellular 1 (212) 478 3916

Local Joie de Vivre Awaits the Tourists

The Lebanese people have a talent for work and a special talent for enjoying themselves. Their ability to combine the two to the advantage of the visitor has always been at the heart of their tourism industry.

Lebanon does not lack traditional tourist attractions — the cities of Baalbek, Anjar, Byblos, Sidon and Tyre are some of the better-known ancient sites that dot the country. Archaeologists excavating in the central business district of Beirut also have high hopes of finding the remains of the Roman law school that once made the city a famous center of learning and jurisprudence.

But tourists have never gone to Lebanon just for the sights. There are manifold attractions: the climate (the slogan "the only country where you can swim in the morning and ski in the afternoon" is based on reality); the superb food, best eaten at leisurely traditional lunches in outdoor restaurants; the unique atmosphere of the beautiful mountain villages; and the shopping, theaters and nightclubs that produced a joie de vivre that Lebanon alone of the Arab countries could provide.

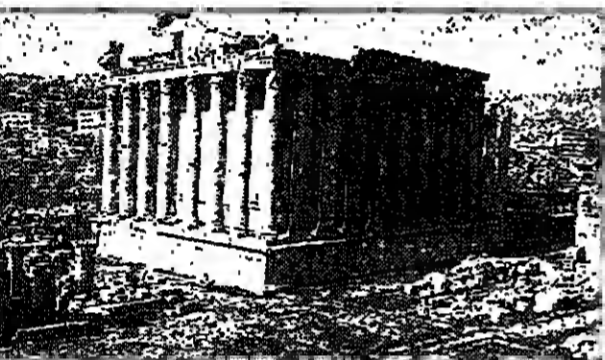
It was this spirit that kept resort hotels such as the Summerland and the exclusive Saint Georges yacht club open throughout the war and that will bring the first tourists back.

The Summerland typifies the indomitable Lebanese spirit. Opened in 1978 as a first-class resort hotel, it was totally destroyed during the 1982 Israeli invasion and rebuilt in 1983. At that time it did not aim at foreign visitors but at the war-battered Beirutis who, in the words of the manager, Walid Saab, "needed a diversion." Summerland has now undergone a major refurbishment and can offer 151 rooms, 10 suites, a range of restaurants, nightclubs and discos and a full range of business facilities — plus 700 cabins for Beirut families that bring in around 3,000 regular summer visitors. Occupancy rates for 1993 have been around 64 percent, divided about equally between Arab visitors and foreign businesspeople. Mr. Saab hopes to see an 8 percent to 10 percent improvement in 1994.

Down the road at the Saint Georges club, owner Serge Nader managed to keep his marina, water-sports facilities, restaurants and tennis club open throughout the war, providing another outlet for stressed locals.

Many recreation-related businesses also relocated to safer areas, and the Christian areas in particular saw substantial growth. The Beach Resorts Association has 77 members and many mountain villages have developed as holiday areas.

The confidence that kept Mr. Saab, Mr. Nader and others going throughout 17 years of war is now matched by most of Lebanon's leading hoteliers, who are increasingly willing to invest millions of dollars to restore or build first-class hotel capacity, much of which was destroyed in the "hotels district war" of 1975. The Bristol was one of the earliest to repair its war damage enough to reopen, and it now caters to a reg-



An ancient temple at Baalbek puts Lebanon's recent troubles into perspective.



For the Lebanese and for tourists, betting on horses has always been a favorite Beirut leisure activity.

ular and devoted clientele and frequently hosts large business conferences and Arab gatherings. Construction of a new Meridien hotel has already begun, plans are under way for the rebuilding of the Saint Georges Hotel, and other majors in the hotel district are expected to follow soon.

The Société des Grands Hôtels du Liban has signed a management and operation contract with Inter-Continental Hotels for the return to life of one of the great symbols of prewar life, the Phoenicia Hotel. It expects to spend \$50-60 million on a phased program to rehabilitate the 300-room main building of the hotel, to provide it with top-class restaurant, conference, business and recreational facilities and to renovate its adjoining 300-room tower annex.

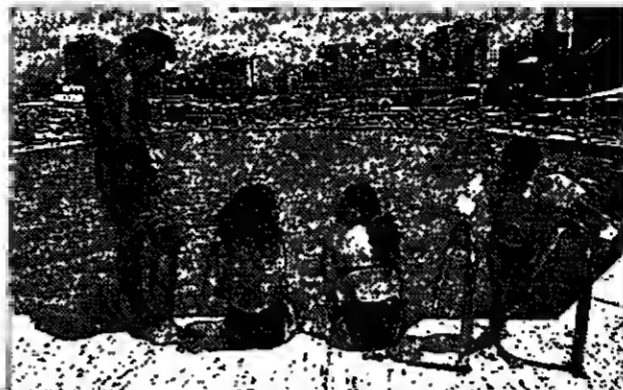
The company is already working on the renovation of its 120-room Vendôme hotel. A number of other hotels — including the Mayfair, Wiener House and Royal Garden — are either back in business or undergoing renovation.

The vice chairman of the Phoenicia group, Marwan Saïha, describes himself ruefully as "a hotelier who hasn't worked for 20 years," but he remains confident that Beirut's strategic location and unique combination of business and recreational possibilities will bring visitors back.

In common with others in the tourism industry, he sees the first business coming from Lebanon's large expatriate community and from Arab visitors, particularly from Saudi Arabia, the Gulf and Egypt, all of whom tend to be long-staying and heavy-spending.

The government's success in moving squatters from Arab-owned holiday villas in the mountains is expected to be a major encouragement to Gulf tourists. Gulf investors are already showing interest. An Emirates group led by the Al Habtour Group of Dubai is working on a luxury \$30 million housing project overlooking Beirut, while a Saudi Arabian investment company is interested in an \$80 million villa, commercial and tourist project in the hills south of the capital.

The Arab Tourist Organization has designated 1994 as the International Year of Tourism in Lebanon, but Mr. Nader, who is also president of Lebanon's Beach Resort Association, sees 1995 as the year when hotels and other facilities will be ready for serious business. Mr. Nader hopes to see the once-famous Baalbek cultural festival back in business by then. He believes Lebanon is not a country for mass tourism but one for business travelers and wealthy



The swimming pool at the Saint Georges yacht club is one of the tourist attractions that survived years of war.

tourists interested in its antiquities and looking for first-class facilities.

It is one of the wonders of the war that, despite massive physical destruction caused by the fighting, the archaeological sites have survived essentially intact, although much work needs to be done to prepare them for visitors. There are other problems to overcome before tourist activity can return to normal. After years of uncontrolled dumping of waste, many of the once-famous Lebanese beaches are seriously polluted, and the country overall suffers from unsightly random garbage disposal.

Many industry observers would like to see government policies on tourism re-examined, believing that it should enjoy all the financial incentives now offered to the manufacturing industry.

Lebanon, Syria and Jordan have recently signed an agreement for joint tourist promotion, and all three countries stand to benefit from the changes that peace should bring. Some Lebanese believe that Israel, which already has developed tourist facilities and a sophisticated marketing structure, will now emerge as a serious competitor.

Above all, Lebanon needs to rebuild its image as a tourist destination in a world that has largely come to associate the country only with war. P.D.

Design a Souk, Win \$150,000

An international competition is being held for design ideas for the postwar reconstruction of the souk area of Beirut's city center. Prize money totals \$150,000, and the winners will be announced by an international jury on July 16, 1994.

The competition, say the organizers, Solidere, is open to architects, urban designers and planners, and academic institutions. New ideas are being sought for the design of a major part of the retail area of the city center, which used to contain the traditional souks since destroyed in the civil war.

Solidere is anxious to come up with designs that will harmonize with both the traditional character of Beirut's souks and the new commercial, residential and recreational areas of the redeveloped city.

Registration for the competition is open from December 1 to February 15. Further details on the competition can be obtained from: Solidere Souk Beirut Competition, Fax: 01 (212) 444 8165, or 01 (212) 478 3914, or (961) 1 646193.

Rebirth of a Nation

Continued from page 1

Mr. Hariri. "We are also negotiating for another \$800 million for the power projects."

He is looking for all types of finance — direct, grants, long-term soft loans, commercial loans, treasury bonds and self-financing schemes like BOT (build-operate-transfer).

One area in which rapid progress is being made is telecommunications. At present, many international calls to

Public services to be self-financing

Lebanon are made via New York or Cyprus. "We are now installing one of the most sophisticated telephone networks and cellular telecommunications systems in the world," says Mr. Hariri. Over the next 18 months, more than one million new telephone lines will be in use.

France's Alcatel CIT and Sweden's Ericsson have each been awarded contracts for 270,000 lines, and talks are under way with Germany's Siemens for 385,000 lines. MCI International has set up a direct-dial service with a capacity of 5,000 lines.

A fiber-optic cable system for multimedia communications will also be installed. One of the most significant developments is for a cellular network of 250,000 lines, which will be awarded as a BOT project, with the government as a shareholder.

Water, conventional telephones, and Beirut's airport and seaport are all to be run on a profit-making basis. According to Mr. Hariri, the idea is to run as many public services as possible as self-financing ventures. Horizon 2000 will lay the foundations for a new Lebanon capable of competing with the rest of the region.

"I want to see Lebanon playing a democratic and cultural role in the region," says Mr. Hariri. "I want to see Lebanon taking its place as a financial market, as a commercial market, as a center for light industry, and able to produce enough agricultural crops for our people. And I would like to see the return of tourism to the level it used to be." M.F.

Reminders Found of a Learned Past

Lebanon's archaeologists are appealing to the world's lawyers and jurists to help them in funding a major excavation project for the city of Beirut. Their goal is to bring to light the remains of a Roman law school, established by the Emperor Septimius Severus in the latter part of the 2nd century A.D., which brought the city fame as a center of learning throughout the Roman empire.

The Hariri Foundation and UNESCO are providing \$1.3 million for the project, but Hareth Boustany, the archaeologist who heads the team carrying out the work, says this will not be enough. He is hoping that lawyers around the world will be willing to contribute \$25 each for a project that is exploring their intellectual and ethnic heritage.

Mr. Boustany says he and his colleagues, who include both European and Lebanese specialists, are being offered a unique chance to excavate in a situation where the treasures of the past are being given as high a priority as the demands of the future.

The plan for the rebuilding of the shattered Beirut Central District calls for the development of a 40,000 square meter open space between the landmark areas of the Place de Canons and the Place des Etalles, where some Roman antiquities were already preserved in prewar days.

The archaeologists will also have the benefit of a six-month working period before any rebuilding or new construction begins in the rest of the central district. Finds will either be incorporated into a new building (an approach tried successfully in a number of European cities) or removed to a new park being developed in the Normandie district of the city.

The law school and the other major buildings of the Roman era, including the forum, temples, baths, markets and colonnaded streets, are a major focus of the excavation effort, but they are not the only treasures to be found in a city with a rich past.

Modern Beirut developed only after the 1861 Protocol among the great powers, which guaranteed its autonomy and opened the city as a major trading center between Europe and the Arab hinterland and a regional center for education. This, in fact, revived two ancient traditions.

In the third millennium B.C., Beirut was the main port for trade with Egypt, sending out Lebanese cedar and iron ore. The tradition of learning is also long-established. In the ninth



Archaeologists working in the center of Beirut on some of the exciting ancient remains that have been uncovered.

century B.C., the philosopher Sanchroniaton wrote a treatise on the religions of the known world, which the philosopher and historian Philon of Byblos used as the basis of his second century B.C. history of comparative religion.

The city reached its greatest glory during the Greek and Roman eras, but its law school continued even into the Byzantine era, when the Emperor Justinian appointed two of its law professors to compile the Justinian Code. Beirut's ancient life came to an end only with the disastrous earthquake of 551, which killed an estimated 30,000 people, including foreign students at the law school, and reduced the city to rubble.

Mr. Boustany hopes a rediscovered Roman law school will act as a symbol of a revival of the best in Beirut's past and of the spirit of the new Lebanon now being built.

The project also has an important practical value for Lebanon's archaeological community, offering the first chance for hands-on excavation experience to the generation of archaeologists educated since the start of the civil war, and a valuable refresher course for the professionals who taught them. P.D.

Airline Sees Way Open For Expansion

This year, Middle East Airlines (MEA) expects to break even for the first time since 1980. The airline incurred losses of \$200 million last year and hopes to move into profitability over the next five years.

MEA has had a remarkable record of achievement for the last 18 years, in spite of the hostilities that have broken out several times in the Middle East. "We kept flying almost all the time during the war years," says Abdul Hamid Fakhoury, chairman of MEA. "The total period when we were out of action was not more than two-and-a-half years, and even then MEA kept operating with charter services abroad."

Mr. Fakhoury, who has been with the airline for 38 years and chairman for the last 17 months, believes that the fundamental strength of MEA during the war years came from the 3,800 Lebanese who worked for the company. "It was only due to them and their determination to come to work every day that we were able to keep flying," he says.

Mr. Fakhoury has now prepared a five-year strategic expansion plan for the airline. "Although we survived the war, we have stagnated, and we are now trying to catch up in a rapidly developing industry. Many of our old employees are returning, and we are introducing new blood — graduates and technicians. So far, we have recruited 150 new people."

MEA has 180 pilots in training, with one woman among 10 new recruits. It is planning to upgrade its fleet, which includes three Boeing B747-200Bs, three Airbus A-310As and 11 Boeing 707s. It has not been decided whether to choose Boeing or Airbus for its upgrade.

One of the main problems facing MEA, much to its annoyance, is the U.S. ban on MEA flights to the United States

and on all airlines selling tickets in the United States with Beirut as destination. The ban, which MEA feels is totally unjustified, was imposed following the TWA hijacking in 1985.

MEA now serves 39 destinations and plans to expand its route network to countries with substantial Lebanese expatriate populations — the United States, Canada, Australia and, later, Brazil and Argentina. MEA flies to Singapore and with Qantas to Sydney in the summer (it plans its own regular service to Sydney next year). Romania will also become a new destination in 1994.

This year, the airline had carried 604,000 passengers up to the end of September (an average seat factor of approximately 56 percent). This compares with 701,000 passengers for the whole of last year, indicating a substantial improvement. In the same period this year, 11,809 tons of freight were carried, compared with 16,499 in 1992.

The airline is 52.5 percent owned by Intra Investment, 28.5 percent by Air France, 5 percent by MEA staff and the remaining 4 percent by individuals. Intra Investment is 45 percent owned by the Lebanese government and the central bank, 35 percent by the governments of Kuwait and Qatar and the remainder by individuals.

The MEA board has approved the five-year expansion plan as well as an increase in capital, which will raise the \$100 million needed during the plan period. For many years it has been discussing the possibility of negotiating a merger with Trans Mediterranean Airlines (TMA), the national cargo carrier. M.F.

NOW IS THE TIME TO START IN FULL GEAR IN LEBANON

Lebanon is at a turning point. Reconstruction and development are underway. Now is the time to start business and investments in Lebanon. Widriss Holding has all the right connections you need. Widriss Group is a vital force in food trading and distribution, land development, construction, industry and touristic projects. Our belief in expansion and diversification has firmly established us as business specialists, not only in Lebanon but in various countries of the world. From cheese factories in Denmark, to convenience stores in U.S.A., to trading facilities in Australia, we are active in many fields.

Act now. Call us, your reliable partner.



WI
WIDRISS HOLDINGS
THE VITAL FORCE

WIDRISS HOLDINGS CO. S.A.L.
P.O. Box 11-1580 Beirut - Lebanon
Tel: (961) 420207 / 42124781684
Phone: 343104 - 344218 - 343141
Telex: 20809 / 40380 WIDRISS LE

Conserves Modernes Chtaura s.a.l.

THE BEST OF LEBANON TO THE WORLD

For generations, the Bekaa Valley has been known as the breadbasket of the Middle East. Today, Conserves Modernes Chtaura continues to supply Lebanon, the Middle East and nations throughout the world with products freshly grown in our fertile land. From the heart of the Bekaa, we offer a complete range of products to suit every need. From vegetables and ready-to-serve Lebanese specialties to fancy fruit jams, we make sure quality is in every one of our packs.

The latest addition to the Conserves Modernes Chtaura facilities is a state-of-the-art frozen food plant for processing our new line of frozen fruits and vegetables, packed individually or in bulk.

And along with our range of branded products, Conserves Modernes Chtaura accommodates private label requirements.

Conserves Modernes Chtaura s.a.l.
Come grow with us.

P.O. Box 128 Chtaura, Lebanon.
Phone: (961) 8806082-8807750-8803495-1354333-1340479-1348542
Phone & Fax: 1 (212) 4781937-4781684 (c/o New York)
Telex: 48512-22649 SLMC LE or c/o 40380 WIDRISS LE
Member of WIDRISS Holdings.

MONDAY SPORTS

An O'Neal First Powers Magic

The Associated Press Shaquille O'Neal registered his first career triple double, scoring 24 points and adding career highs of 28 rebounds and 15 blocks as Orlando beat the Nets, 87-83 in East Rutherford, New Jersey.

Nick Anderson, who had 25

points, scored the last four points of the game as the Magic, who had lost two straight and four of five, rallied for the victory on Saturday.

NBA HIGHLIGHTS

O'Neal was 12-for-19 from the field but missed his only free throw. Ten of his rebounds were on the offensive end. His block total was just two shy of the NBA record set by Elmore Smith in 1973.

Bullets 104, Heat 102: In Baltimore, Kevin Duckworth converted a three-point play with 5.1 seconds remaining to lift Washington to its third victory in four games.

Duckworth scored on a jump hook and drew a foul from Miami's Rony Selkay, after two free throws by Harold Miner had given the Heat a 102-101 lead with 7.3 seconds left.

Tom Gugliotta scored 25 points and had 10 rebounds for the Bulls. Hawks 96, Hornets 91: In Atlanta, Dominique Wilkins scored 32 points and Kevin Willis added 23, including two key baskets in the closing minutes, to pace Atlanta to its fourth straight victory.

Stacey Augmon contributed 19 points, and Mookie Blaylock had nine points, 12 assists and a team-high 13 rebounds for the Hawks.

Jazz 86, Knicks 77: Karl Malone had two three-point plays during a 16-0 fourth-quarter run, and Utah snapped New York's 22-game regular-season home winning streak.

Malone finished with 20 points and 12 rebounds for the Jazz, who had lost seven games at Madison Square Garden since their last victory there on Feb. 15, 1986.

The Knicks, playing without injured starters Patrick Ewing and Charles Smith, lost their second straight game after a 7-0 start. John Starks, New York's best offensive

weapon with Ewing on the sidelines, scored 12 points on 4-for-21 shooting.

Pacers 100, Celtics 94: Pooh Richardson scored 24 points and Dale Davis posted career bests of 21 points and 22 rebounds as Indiana held off visiting Boston.

It was the Pacers' first home victory in five starts and only their second in eight games. It came with two starters, Reggie Miller and Derrick McKee, and top reserve Antonio Davis out with injuries.

Rockets 108, Clippers 86: In Houston, Hakeem Olajuwon scored 22 points and grabbed 12 rebounds as Houston took a big early lead on its way to a club-record ninth straight victory.

The Rockets became the 10th team in NBA history to open the season with a 9-0 record. The season-opening record is 15-0 by Washington in 1948-49.

Nuggets 90, Timberwolves 89: In Minneapolis, Mahmoud Abdul-Rauf's jumper from just inside the three-point line with 5.2 seconds left lifted Denver, which scored the game's final five points.

Spartans 91, Bucks 87: In Milwaukee, David Robinson scored 31 points and Willie Anderson added a season-high 28 as San Antonio handed Milwaukee its eighth straight loss.

Suns 112, Cavaliers 96: In Phoenix, Charles Barkley had 28 points and 20 rebounds and Kevin Johnson scored 26 points as Phoenix ended a three-game losing streak against Cleveland.

Both players had seven assists. Dan Majerle's basket on a pass from Barkley with 3:40 left put Phoenix ahead 98-86.

SuperSonics 112, Warriors 97: In Oakland, California, Shawn Kemp scored 28 points, all in the first three quarters, as Seattle ran its record to 8-0.

Kemp played just 29 minutes and added 14 rebounds. He was also an intimidating defensive factor inside for Warriors rookie Chris Webber, who missed six of his first seven shots and was scoreless until the second quarter.



Minnesota's Remy Carter (20 points), left, and Georgia's Shandon Anderson (19 points) had their sights on a loose ball in the first half.

Minnesota, UMass Head for NIT Semis

Compiled by Our Staff From Dispatches

Minnesota and Massachusetts stormed into the semifinals of the Preseason National Invitation Tournament with victories Saturday.

Hoping to be the first team to win postseason and preseason NIT titles in the same calendar year, the No. 10 Minnesota Gophers knocked off Georgia, 91-71, in a quarterfinal in Minneapolis.

The No. 22 Massachusetts Minutemen got a quarterfinal victory with a 82-55 drubbing of Towson State, in Amherst, Massachusetts.

John Thomas, making his college debut for Minnesota, sparked runs in both halves of the game to power the Gophers, getting a total of 8 points and 3 rebounds in 14 minutes of play.

Thomas was helped by David Grim, rarely used last season, who racked up 12 points.

Arriel McDonald, who scored 14 points, had seven assists to become Minnesota's career

leader with 380, passing Marc Wilson by 5. Randy Carter led the Gophers with 20 points; Yashon Lenard added 15.

Georgia took a quick 17-5 lead, but made only 15-of-18 shots during the final 10 1/2 minutes of the first half to fall behind, 36-30, at the break.

The Gophers led, 52-46, midway through the second half before Thomas tipped in a rebound to begin a 31-11 surge. After McDonald missed a shot, Thomas got the rebound to set up two free throws by McDonald. The Gophers then made their next 12 shots to take a 26-point lead.

Grim had seven points during the run. The victory sent Minnesota to a Wednesday game in New York City against No. 9 Kansas, which stopped California, 73-56, on Friday.

In Amherst on Saturday, Junior Lou Roe scored 24 points and freshman Marcus Camby added 16 points and 13 rebounds to lead Massachusetts over Towson State.

Camby, held to three points in the 68-60 opening-round victory over Cleveland State, took charge early in the first half against Towson State, sending Massachusetts on an 8-2 run with a block, steal and assist.

Roe converted two jumpers during the run to put Massachusetts ahead, 25-15, with 7:37 left in the half. The Minutemen extended the margin to 40-24 at halftime, with Camby contributing 10 points, nine rebounds, three blocks, two assists and a steal.

Camby opened the second half with two quick jumpers. Then Roe put the Tigers away with a jam, followed by two quick jumpers.

Massachusetts meets No. 1 North Carolina in the other semifinal Wednesday. North Carolina cruised to an 90-63 rout of Cincinnati on Friday in the quarterfinals. (AP, UPI)

Olympic Upgrade Sparks a 72-Acre Revolt in Atlanta

New York Times Service ATLANTA — The Atlanta Committee for the Olympic Games has announced plans to demolish the houses and small businesses on 72 acres in a low-income part of the city to make way for a park that will serve as a gathering area for visitors to the 1996 Olympics.

William P. Payne, president of the Atlanta Committee for the Olympic Games said at a news conference that the bottom line was that plan would change "very dramatically the environment that exists there today."

The plan quickly drew criticism from people in the neighborhood, in part because the Olympic committee's planned budget of \$100 million for buying the land, clearing it and planting trees and grass includes no money for helping displaced residents and businesses.

"What are they going to do with the people?" the Reverend Leroy Sanders asked, standing in front of his "God's Favorite People Shelter," a homeless shelter in the middle of the proposed park. "I do believe a man is worth more than a tree. If they've got \$100 million to spend on trees, they've got to have some money to spend on these people who need some job training and rehabilitation."

Jerry Fowler, owner of the 50-year-old Luckie Street Grill, said the proposed park would not rid the city of a poverty problem but only move it temporarily.

"It looks like they are going to spend all that money and close me down just so they can have it look nice for a couple of months of the Olympic Games," he said.

The 29-hectare area is bounded on the north by the proposed Olympic Village, on the east by the Olympic committee headquarters and on the south by the Georgia Dome. The Olympic sports stadium and the Georgia World Congress Center, which will be used for Olympic events during the Games.

Organizers had no estimate of the

number of residents who would be affected by the planned park.

Gerald L. Daniels, president of the Atlanta Chamber of Commerce, called the area to be razed "a sore and a cancer on downtown." He added that the area was "stymieing the redevelopment of that southwest side of town."

Even before the 1990 vote awarding the Games to Atlanta, Olympic organizers had been criticized for their decision not to finance improvements in neighborhoods around sites for the competition.

Els Runs Away From Field to Win Japan Golf

Compiled by Our Staff From Dispatches MIYAZAKI, Japan — Ernie Els claimed his first professional victory outside his home country of South Africa by a four-stroke margin Sunday in the Dunlop Phoenix golf tournament.

Els had a final round of 3-under-par 69, for a tournament-record 17-under-par 271.

Fred Couples of the United States, Barry Lane of Britain, Vijay Singh of Fiji, and Masashi Ozaki and Tsunevuki Nakajima of Japan tied for second.

In Sydney, Ian Baker-Finch birdied the second playoff hole to win the Australian PGA championship. He had tied at 9-under-par 275 with Peter Fowler and Grant Waite.

In Thousand Oaks, California, Raymond Floyd and Steve Elkington combined Saturday to take a two-shot lead in the Shark Shootout going into the final round Sunday. (AP, Reuters)

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, Nov. 19.

Table with columns for OTC Consolidated trading, listing various stocks and their prices.

Table with columns for 100s High Low Close Net Change, listing various stocks and their prices.

Table with columns for 100s High Low Close Net Change, listing various stocks and their prices.

Table with columns for 100s High Low Close Net Change, listing various stocks and their prices.

Table with columns for 100s High Low Close Net Change, listing various stocks and their prices.

Table with columns for 100s High Low Close Net Change, listing various stocks and their prices.

MONDAY SPORTS

Krabbe Vows to Fight On After IAAF Upholds Ban

BERLIN — The German sprinter Katrin Krabbe vowed Sunday to continue her fight to compete on the track despite a ruling by the sport's governing body upholding her two-year doping-related ban.

But the German track official who argued her case before the IAAF panel, Clemens Prokop, said the German association would accept the decision. To defy it could, in the worst case, mean suspension from international competition for German athletes who compete against the banned runners.

legality of the four-year ban under German law and reduced it to a one-year suspension for sportsmanlike conduct. When that suspension ended, the IAAF in August extended it by two years, saying it was not strict enough.



Record Rout For All Blacks

Matt Cooper of New Zealand breaking through Scotland's defense during the All Blacks' record 51-15 victory in Edinburgh. Jeff Wilson, 20, who also plays international cricket for New Zealand, scored a hat-trick of tries in his first rugby test match.

SCOREBOARD

NBA Standings table showing Eastern Conference and Western Conference standings with columns for team, wins, losses, and percentage.

Major College Scores table listing various college basketball games with scores and team names.

NHL Standings table showing Eastern Conference and Western Conference NHL standings.

SOCCER table listing various international soccer matches and their results.

FRIDAY'S RESULTS table listing the outcomes of various sports events from Friday.

SATURDAY'S RESULTS table listing the outcomes of various sports events from Saturday.

TRANSACTIONS table listing various sports-related transactions and transfers.

CRICKET table listing various cricket matches and their results.

FRIDAY'S RESULTS (continued) table listing more sports results from Friday.

SATURDAY'S RESULTS (continued) table listing more sports results from Saturday.

TRANSACTIONS (continued) table listing more sports transactions.

CRICKET (continued) table listing more cricket results.

Advertisement for DENNIS THE MENACE featuring a cartoon illustration of Dennis and his antics.

Advertisement for PEANUTS featuring a cartoon illustration of Snoopy and Woodstock.

Advertisement for CALVIN AND HOBBES featuring a cartoon illustration of Calvin and Hobbes.

Advertisement for WIZARD OF ID featuring a cartoon illustration of a wizard and a man.

Advertisement for REX MORGAN featuring a cartoon illustration of Rex Morgan.

Advertisement for GARFIELD featuring a cartoon illustration of Garfield the cat.

Advertisement for BEETLE BAILEY featuring a cartoon illustration of Beetle Bailey.

Advertisement for DOONESBURY featuring a cartoon illustration of Doonesbury.

Advertisement for JUMBLE featuring a word game and a cartoon illustration.

Advertisement for RAUZE featuring a cartoon illustration and text.

Advertisement for SPEHE featuring a cartoon illustration and text.

Advertisement for TASSID featuring a cartoon illustration and text.

Advertisement for KAJECT featuring a cartoon illustration and text.

Advertisement for BEETLE BAILEY featuring a cartoon illustration and text.

Advertisement for DOONESBURY featuring a cartoon illustration and text.

Advertisement for DOONESBURY featuring a cartoon illustration and text.

Large advertisement for Swissair featuring a cartoon illustration of a man and a woman, with text in German and English.

MONDAY SPORTS

Boston College Sinks Irish With Late Field Goal

By Malcolm Moran
SOUTH BEND, Indiana — They thought their game of the century was last week...

COLLEGE FOOTBALL

Gordon, the Boston College kicker, whose 41-yard field goal as time ran out gave the Eagles a 41-39 victory that ended Notre Dame's hope of taking a No. 1 ranking into a bowl game with a chance to win a national championship.

The Irish, 10-1 after the end of a 17-game winning streak, had taken a 39-38 lead, apparently salvaging the championship hopes that were built on the victory over Florida State last week...

But Foley, helped by a personal foul penalty against Notre Dame on the ensuing kickoff, led a drive that took the Eagles from their 25 to the Irish 24. On third-and-10 from the 25, Foley found tight end Pete Mitchell, who had caught two touchdowns earlier, for a 12-yard gain to the 37.

Two plays later, Foley avoided the Irish rush and stepped forward for a 24-yard throw to Mitchell that brought the Eagles close to field-goal range. Foley then avoided a blitz with an incomplete pass, and on second down from the 33, threw the pass that gave Gordon his chance — a middle screen to Ivan Boyd, who had also caught two touchdowns earlier.

Hebert and Falcons Break Cowboys' Winning Streak

With Emmitt Smith, the Dallas Cowboys didn't lose. When they lost him Sunday, they didn't win. A bruised right quadricep ended Smith's afternoon two minutes before halftime, and the Atlanta Falcons stopped the Cowboys' seven-game winning streak in Atlanta.

NFL ROUNDUP

Atlanta's swarming defense, which shut out the Los Angeles Rams last week, blanketed Dallas for nearly three quarters. Deion Sanders, one of the Falcons' best defenders, also contributed on offense by catching a 70-yard touchdown pass and high-stepping to the end zone with 3:51 left. Bobby Hebert took care of the Falcons offense, completing 24 of 32 passes for 315 yards and three touchdowns.

East) forced Miami (8-2, 6-1) to punt before running out the clock. Michigan 28, No. 5 Ohio State 9. In Ann Arbor, Michigan, the Wolverines (7-4, 5-3 Big Ten) handed the Buckeyes (9-1-1, 6-1-1) their first shutout in 11 years. Ohio State needed either a win or a tie to clinch their first trip to Pasadena since the 1984 season. Instead, it had a 16-game undefeated streak ended.

No. 6 Auburn 22, No. 11 Alabama 14. The Tigers (11-0, 8-0 Southeastern Conference) fought back from a 14-5 deficit in the third quarter to stop the visiting Crimson Tide (8-2-1, 5-2-1) for the first time since 1989. James Bostic sealed the victory with a 70-yard touchdown run with 2:19 left to play.

No. 7 Tennessee 48, Kentucky 6. In Lexington, Kentucky, the Volunteers (8-1-1, 5-1-1 SEC) held the Wildcats (6-5-1, 4-4) to 244 yards as Charlie Garner rushed for 186 yards and Cory Fleming caught two touchdowns passes.

No. 8 Florida 52, Vanderbilt 0. The Gators (9-1, 7-1 SEC) earned a berth in the conference championship game by playing almost flawless football in Gainesville, Florida, in the final matchup for Florida State.

No. 10 Texas A&M 59, Texas Christian 3. In Fort Worth, Texas, the Aggies (9-1, 6-0 Southwest Conference) earned at least a tie for the conference title by winning their 21st straight conference game. Greg Hill ran 94 yards for one of his two touchdowns and Corey Pugh passed for two scores.

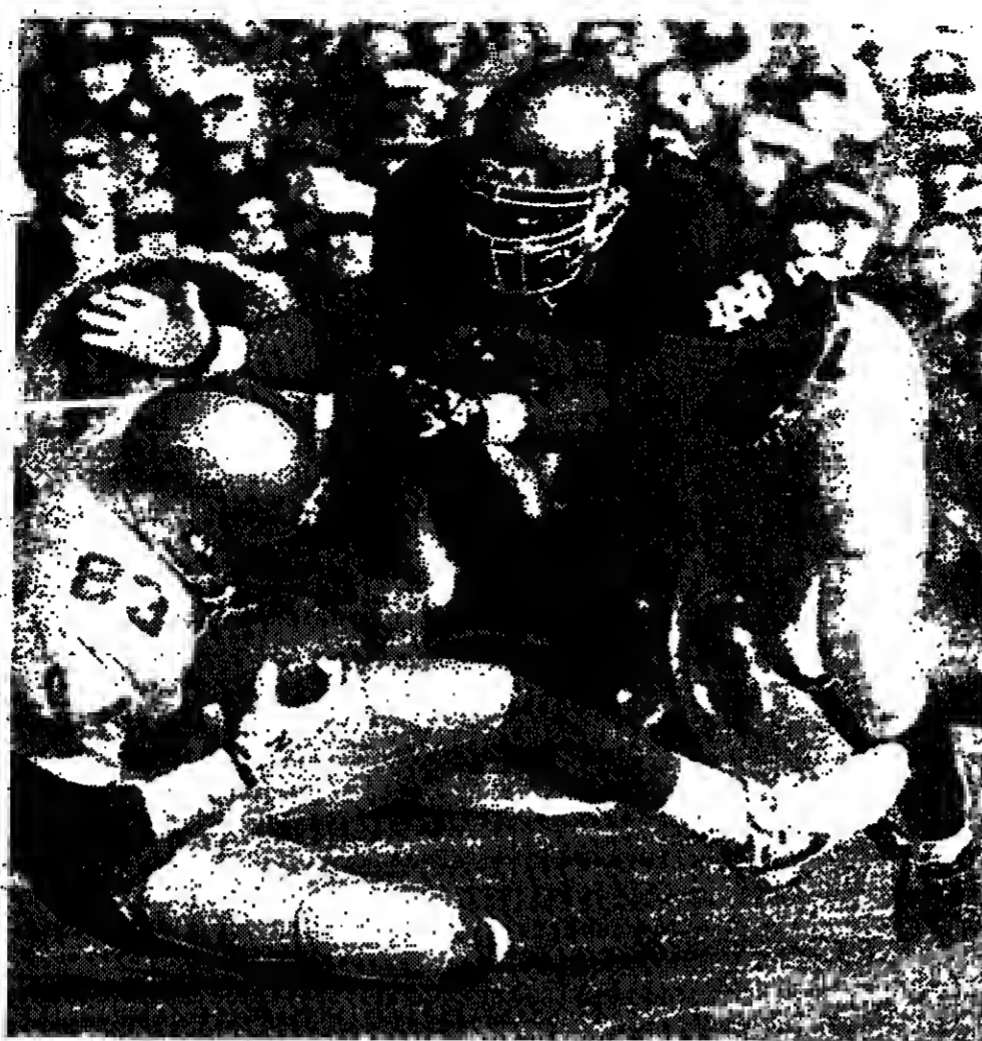
No. 12 Wisconsin 35, Illinois 10. The Badgers (8-1-1, 5-1-1 Big Ten) took the field in Champaign, Illinois, with a Rose Bowl spirit after learning that Ohio State had lost its bid to go to the bowl. Darrell Bevell threw three touchdown passes against Illinois (5-6, 5-3). To get into the Rose Bowl, Wisconsin must still defeat Michigan State.

No. 14 Penn State 43, Northwestern 21. In Evanston, Illinois, Mike Archie rushed for a career-high 173 yards and two touchdowns, and Kerry Collins passed for 278 yards for the Nittany Lions (8-2, 5-2 Big Ten).

No. 16 UCLA 27, Southern California 21. In Los Angeles, Marvin Goodwin made a game-saving interception in the end zone to put the Bruins (8-3, 6-2 Pac-10) in the Rose Bowl for the first time in eight years.

No. 18 Colorado 21, Iowa State 16. A 49-yard touchdown pass from halfback Lamont Warren to Charles Johnson in the fourth quarter in Ames, Iowa, rallied the Buffaloes (7-3-1, 5-1-1 Big Eight), who finished second in the conference.

No. 20 Kansas State 21, Oklahoma State 17. In Stillwater, Oklahoma, Chad May directed an 80-yard drive in the final minute for the Wildcats (8-2-1, 4-2-1 Big Eight) and capped it with a 2-yard touchdown pass to Brad Seib, to stop Oklahoma State (3-8, 0-7).



Boston College's Ivan Boyd outpaced Notre Dame's Greg Lane to catch a TD pass in the first period.

Stich's 27 Aces Crush Sampras in ATP Finale

By Christopher Clarey
New York Times Service

FRANKFURT — It would have been the perfect ending, the light layer of powdered sugar on a big, fat piece of apple strudel.

But unfortunately for Pete Sampras, Michael Stich was not willing to follow the script. And instead of the world's No. 1 player finishing off the finest season of his young career in style, it was a teary-eyed Stich who was left to experience the last high of the ATP Tour year in a Festhalle full of his fellow Germans on Sunday.

Such's 7-6 (7-3), 2-6, 7-6 (9-7), 6-2 victory in the final of the ATP Tour World Championship, which brought together the top eight players in men's tennis, gave him his first major title since he won Wimbledon in 1991. It also earned him more than \$1.2 million and vaulted him past Jim Courier into the No. 2 spot in the year-end rankings.

"I think I am playing my best tennis of the year right now," Stich said. "Whether the victory lifted Stich into a more prominent place in the hearts of his countrymen is less certain. A year ago, when that other world-class German tennis player, Boris Becker, powered past Courier on his 25th birthday to win in Frankfurt, the Festhalle crackled with emotion. On Sunday, the

applause for Stich was plentiful but restrained.

Even the banners hung in the stadium seemed intent on evoking a more memorable time in this elegant place. "What a shame, Boris!" read one that raged Becker's absence.

But there was nothing shameful about Stich's tennis. He finished with 27 aces, serving 12 in his last four service games, and double-faulted just twice.

He also, as usual, saved his best tennis for the tiebreakers, winning both with aggressive shot-making and keeping Sampras from coming anywhere near his peerless performance in the semifinals against Andre Medvedev.

"Yesterday, I played at a level that was impossible to maintain," said Sampras, who ceded only 55 minutes to dispose of Medvedev. Sampras and Stich ceded eight minutes longer than that just to finish the first set. It began with Sampras making unforced errors from the baseline and struggling with his first serve; a recurring theme throughout the afternoon.

Slowly, Sampras's droopy shoulders turned even droopier. Then, with Stich serving at 5-2, 40-15, the American sprung to life and saved two set points. He would go on to win 10 of the next 13 points, improve his posture and force a tiebreaker.

Stich won it convincingly, getting some help from a questionable line call on the fourth point, but Sampras had worked his way mentally into the match.

The German would not reclaim the momentum until the third-set tiebreaker. Stich has always been fond of these shootout affairs. At last year's Grand Slam Cup in Munich, he won three of them to beat Sampras in the semifinals. Heading into Sunday's match, he was 34-18 in tiebreakers this year.

"I don't know why I do well, and I don't want to think about it," Stich said with a grin. "I just want to keep it as it is."

This time, Sampras managed to save two set points, but then at 7-7 his forehead sailed long. On the next point, Stich served and claimed the set with a forehand volley.

After that, suspense was hard to come by. Sampras double-faulted to lose his serve in the first game, and then Stich served three aces to hold at love. He would serve four more aces in his next service game to take a 4-0 lead. And Stich won the match with yet another ace.

"When I lost that third set tiebreaker, the air kind of went out of the ballroom," said Sampras. "And then he probably aced me eight or nine times in that last set."

"Twelve," came a correction from the back of the room. "Sorry, 12," Sampras said. "Ruh it in a little bit."

Sampras might have lost the battle of Frankfurt, but he won the war in 1993. His eight titles included Wimbledon and the U.S. Open, and the computer points he woo here guarantee him a safe cushion when the ranking ace resumes next January in Australia.

Between now and then, Sampras will play in the Grand Slam Cup next month and on the golf courses of Florida whenever possible.

"I will be picking up the golf club much more than the tennis racket in the next two weeks," said Sampras. "I'm going to enjoy my time off and let it all sink in. The year has just been getting better and better. Unfortunately, my ninth final just wasn't good enough."

It was good enough for the Germans, however, who have now had two homegrown champions in the four years since their networks' television money wooed the year-end championships away from New York.

Stich broke into tears during his victory speech. But it remains to be seen whether Stich's nation can learn to cherish him. He will get another chance to make an impression on Dec. 3, when he leads the German team in the Davis Cup final against Australia in Düsseldorf. Becker, the main man in Germany's two previous final victories, will not be playing.

"I had to learn the last two years that there are always going to be heroes in a country," said Stich, who complained bitterly when the crowd sided with Becker against him in the 1991 edition of this tournament. "Boris was the one that caused tennis really to be recognized, and he deserves the credit he gets."

Graf Pounds Past Sanchez Vicario to Take Slims



Arantxa Sanchez Vicario saw victory nearing in the third-set semifinal against Mary Pierce.

The Associated Press

NEW YORK — Steffi Graf of Germany, the world's No. 1 women's tennis player, capped her best season in four years Sunday by winning the Virginia Slims Championships.

"I'm incredibly happy to end the year like this," Graf said after a 6-1, 6-4, 3-6, 6-1 victory over Arantxa Sanchez Vicario of Spain. "It couldn't be any better."

The title, her first at Madison Square Garden since 1989, was worth \$250,000, raising her women's season-record total to \$2,753,837 and boosting her career total to more than \$13 million. It was her 79th career singles title, tying her with Hall of Famer Margaret Court.

Graf used her big serve to set up easy points and her forehand zipped deep into the corners. She repeatedly left her opponent standing flat-footed on the baseline as the ball went whizzing by.

"From the beginning, I was able to take control of the points," Graf said. "I tried to be as aggressive as I could, and it worked well."

In the semifinals on Saturday, Graf needed 1 hour, 46 minutes Saturday to stop Anke Huber of Germany, 6-2, 3-6, 6-3. Sanchez Vicario had a 2½-hour semifinal battle before beating Mary Pierce, 6-2, 5-7, 6-2.

"I feel a little tired," said Sanchez Vicario, who was treated by the trainer and looked at by tournament doctors during two changeovers on Sunday. "I played a lot of tennis the last few days. I'm not disappointed. Today I had a very tough opponent."

Pierce, who upset third-seeded Martina Navratilova in the quarterfinals, delighted the Madison Square Garden crowd Saturday with her huge groundstrokes. But Sanchez Vicario chased down almost every ball and repeatedly forced Pierce to hit one more shot and make mistakes.

At 2-2 in the second set, there were six consecutive service breaks before Pierce fought off one break point and held to take a 6-5 lead. She then took a 15-40 lead and broke Sanchez Vicario from deuce to tie the match at one set each.

When Sanchez Vicario held in the second game of the third set, it was the first time she was able to hold service in 49 minutes. She followed that by breaking Pierce at 15 to take a lead she never relinquished.

"She can play great points, and then she can make unbelievably easy mistakes," Sanchez Vicario said. "You just have to hang in there."

While Graf may have been confident of her victory, her semifinal match appeared to be in doubt until the sixth game of the final set, an 11-minute struggle that saw the two fight through six deuces and Huber save off five break points before succumbing. That put Graf up, 4-2, and all she had to do was hold her own serve twice more. She did, the final time at love.

Until their seventh career meeting Saturday, Graf had never lost a set to her 18-year-old fellow German.

Gigi Fernandez and Natalia Zvereva won the doubles title, defeating Laris Neiland and Jana Novotna, 6-3, 7-5.

SIDELINES

NHL and Striking Officials to Meet

NEW YORK (AP) — As the National Hockey League prepared to resume negotiations with its striking officials Sunday, the NHL commissioner, Gary Bettman, said he was satisfied with the performance of the replacements who have been working the games in their absence.

"My hockey people are very pleased," he said Saturday. "And people around the league are telling me they're doing a good job." But he said he would "love to have the regular officials back."

The referees and linesmen went on strike a week ago for higher wages, and Sunday's negotiations were the first scheduled since the walkout began. The NHL has brought in replacements from minor-league hockey and from colleges.

Golfer Heather Farr Is Dead at 28

SCOTTSDALE, Arizona (AP) — Heather Farr, a professional golfer who inspired fans with her battle to return to the game after being stricken with cancer at age 24, died Saturday. She was 28.

Teenage-Millionaire Burnout

By Harvey Araton
New York Times Service

NEW YORK — Someone noticed that Mary Pierce, in the midst of a grueling match last week against Martina Navratilova at the Virginia Slims Championships, actually let her trademark frown dissolve into a glorious smile.

The 18-year-old whose family life last summer was stranger than soap fiction even laughed off one of her racket backhands that landed just beyond the baseline, amazing not only those who have followed her short, sad career, but also herself.

"I was always so tense," she said. "I always used to think I had to win instead of doing my best."

It was another gratifying victory in her battle to overcome the poison pumped into her psyche by her overloving father, Jim, now estranged from his daughter and separated from his wife, Yvonne, after they claimed he had been abusive to them.

Vantage Point

She is the ultimate symbol of a dangerous trend in sports: paying for potential instead of performance, rewarding young athletes before they have proved anything to anyone, including themselves.

Wade's life has been tennis, but she might have been speaking of any game when she said, "It's so multifaceted that you can't play to the fullest until you've developed some maturity and sense of perspective on life."

It is not difficult to guess which side wins when morality clashes with the pursuit of a buck. But the rush to make millionaires of kids before they have earned it, or are ready to deal with it, is backfiring, turning into bad sports business.

In a team game like basketball, it disrupts salary scales, breeds resentment and makes kids who should be wide-eyed think they are bigger than the game before they have scored in one.

A Buyer for Olympique Marseille?

PARIS (AP) — The French soccer federation has found a buyer for the scandal-plagued Olympique Marseille soccer team, and local governments are promising financial help, a French newspaper reported.

The club, winner of the European Champions' Cup in May, is suffering from financial difficulties because of its ban from international competition, resulting from a payoff scandal this summer.

For the Record

Nestor Giovanni of Argentina retained his WBO cruiserweight title with a unanimous decision over Markus Bort of Germany on Saturday in Hamburg.

Orelowitz Canizales of the United States kept his IBF bantamweight title, outpointing Juvenal Berrio of Colombia on Saturday in Johannesburg.

Miguel Indurain, the Spanish cyclist who won the Tour de France three times, was presented with France's highest distinction, the Legion of Honor, in a ceremony Saturday in Madrid.

Asian Vernacular: Vignettes of Women

By Andrew Ranard

SINGAPORE—You might think, after seeing her play, that grappling with Jude Narita would be an encounter with the unvindicated furies of minority and feminist history in America. Or at least that she would be acerbic and flamboyant.

But Narita, in a dark print dress, a dark vest and a touch of indiscretion in the black lace that shows beneath the vest, seems to have dressed down for this interview. Does she wish to be invisible? She is Japanese-American, and one thinks of Kabuki actors, dressed in black, who arrange stage sets as dramas unfold and who melt into the background. Narita has lived all her life in California and never visited Japan, so that illusion is facetious.

Not that Narita is a wallflower. She's garrulous. But it is difficult to connect her with the desperation of the characters in "Coming Into Passion, Song for a Sane," a solo performance of seven vignettes of Asian women that she wrote. Her characters are by turn raunchy, retiring, outspoken—but all filled with pathos.

"Passion," which has played in Los Angeles for two years, toured the United States as well as Poland under U. S. Information Agency auspices and recently kicked off Singapore Repertory Theatre's 1993-94 season. It is a dramatic coup. Some of its vignettes are unforgettable. They appear as six ghostly dreams of a seventh character, a successful, self-mocking Japanese-American newscaster, a tight package of hip, media clichés. The woman is a go-getter who "power dresses," does lunch, "touches bases," a "team player" who has "worked twice as hard as any man" to get to where she is, the top. She knows the ropes and the compromises necessary for success—"Gunned good at what I do."

But the newscaster is having a crisis—nightmares and moments of block-out on the air. But no sweat, this "can-do" American woman can handle it, even when she has to confront news atrocities against Asian women in this case Vietnamese. "I'm not Vietnamese. I'm not really Japanese. I'm American," she says. "I'm part of the American Dream." She has nothing in common with those "weird-talking, weird-sounding people" halfway around the world.

She sleeps—puffs of smoke, and a Saigon bar girl of the Vietnam War era appears on a minimalist stage: bed with purple satin sheets, stool, bottle of beer, metal desk and chair, a small brown cardboard box with Japanese writing on it, and a giant blue fan in the background that looks like the billowing sail of a Chinese junk. The bar girl is raw and vulgar, a comic (You want love? O. K., three dollars!), knows the trade secrets to land a customer



Jude Narita's characters are raunchy, retiring, outspoken—filled with pathos.

Smoke again. Narita is a young Japanese girl, Kimiko, recalling the dropping of the atomic bomb on Hiroshima. The vignette is made ghostly through the ballet-like gestures of Narita's arms and a benign smile, as she narrates. Narita then metamorphoses into a Japanese-American woman, dealing with the sticks and stones from the atomic past, braving herself to confront a bully who has called her a "yellow Jap." Now she's a Cambodian refugee in the United States, ruminating on her wall-to-wall-career life. The woman sleeps with the light on. Her daughter died in her sleep and her family were victims of genocide. The play becomes a dream within a dream as the woman recounts nightmares of her life in Cambodia. "Many trees hit my family, hit more, hit more, hit more!" In the night, she tries to fill holes in the ground, "if no hole, family no die."

The vignettes are emotionally exhausting, and it's a relief that the last one is comical. A Japanese-American teenager from California, a troublemaker in a leather jacket and shades, begins her soliloquy. She's the black sheep in a family of over-achievers; the parents are "always ragging (What'sa' matta? You wanna a boy?)," has

enough vulnerability to fall in love, is proud that she supports her family and that she works in a bar, not as some women "in a cage like an animal." The portrait is gripping.

The play "was written to combat specific images," she says. The teenage troublemaker was meant to challenge the "model minority myth" about Asian-Americans, and the prostitute and the mail-order bride explore certain economic realities. "Once you understand the economic history and where the country fits in the global structure, then you understand a lot about the living conditions and the actual life choices that are available," she says about these women.

Narita admits that she has been attacked for creating stereotypes. A Vietnamese student once asked her why she chose to portray a Vietnamese prostitute rather than, say, a Vietnamese businesswoman, and just after the show in Singapore she encountered a Filipino woman who was offended by the portrayal of the mail-order bride.

Narita wrote the play because, as an Asian-American actress, she was not getting the parts she wanted and because she wanted to "de-mystify and de-exoticize" fantasies about Asians, which even shows like "Miss Saigon" perpetuate. "Audiences of color have been betrayed a lot by the arts," she says. "They have come to the theater dressed up, expecting a good evening, or gone to the movies on a date, or turned on the television, and an image and a concept have come up that have been so offensive, out of the blue... like a slap across the face."

Audiences of color? It's an expression the populist, ultra-hip, lingo-correct newscaster in "Passion" might have made. Perhaps Narita is not so nonconformist. Perhaps she's aware of the loaded impact of vernacular and thus states her case tentatively. In the epilogue to "Passion," her plea is eloquent: for "the language of the heart."

Andrew Ranard writes from Southeast Asia.

me," she complains in teen-speak, "always on my case," but grandfather, one generation removed, is "so cool." Hey, you know what they did in the desert in California?—crop rotation, irrigation—"intensive farming." Intense, man, so cool. This kid stands up for her rights, and asks her parents, who went to the relocation camps, "Why'd you go, man? I wouldn't go." She rumbles it out with her friends if anyone knocks her case, but she's a bad fighter so she attends karate school where she meets her Japanese sensei, instructor. The girl is *sensei*—third-generation Japanese. Sensei and sensei, the girl says, so close, so cool. She has a "zoo-out" with sensei who tells her to endure, like bamboo.

In the lobby of the Westin Stamford Hotel in Singapore, I am wondering how Narita, who has at least four decades on her, manages to play a teenager so convincingly.

The play "was written to combat specific images," she says. The teenage troublemaker was meant to challenge the "model minority myth" about Asian-Americans, and the prostitute and the mail-order bride explore certain economic realities. "Once you understand the economic history and where the country fits in the global structure, then you understand a lot about the living conditions and the actual life choices that are available," she says about these women.

LANGUAGE Fuzz and Wuzz, and Out of Control

By William Safire

WASHINGTON—Under a cartoon of a man in undeparts with a drink in hand racing along a tropical beach, The Economist headlined, "Don't you just love being out of control?" The cartoon character in the London-based magazine represented the recently privatized British utilities, freed from government's heavy hand, but the phrase is the latest extension of the psychological cliché of the year.

To be *in control*, as in "As of now, I am in control here in the White House," a phrase used in 1981 by Secretary of State Alexander Haig when Ronald Reagan was wounded, is to be boss. To have a *blaze under control* is what every firefighter hopes to announce. To be *beyond control*, as in "circumstances beyond my individual control," was a cop-out first used by Michael in Charles Dickens's novel "David Copperfield." But to be *out of control* is to be damnably difficult in every field of endeavor.

Students are susceptible: "The campus is out of control," declared a Republican Assemblyman in 1969, as students rioted at the Berkeley campus of the University of California.

Workers, too: a year later, the railroad union leader William Winpisinger testified that workers were "yummy right on the ragged edge of being out of control." And deficits lend themselves to the phrase: Representative Barber B. Conable Jr. of New York worried in 1981 about "keeping the budget deficit from getting out of control."

The familiar phrase lends itself to use as a compound modifier: An editorial in The New York Times in 1990 commented on a bill by the Senate majority leader, George Mitchell, "to put a lid on out-of-control campaign spending."

The phrase was popularized by psychiatry. "The ego is in charge of feelings, actions and perceptions," explains Dr. E. Michael Ehlers of Bethesda, Maryland. "Out of control refers to any sort of ego failure. The phrase cuts across many types of disorders, from explosive behavior in psychotic disorders to compulsions and hysteria. The term probably predates psychiatry, but the use of ego functioning in relation to control dates from the late 1800s, the beginning of modern psychiatry."

Has the time come for this weary phrase to be consigned to the cemetery of stereotypical Oxfordian that order would issue from this department, but I don't want to be accused of being a control freak?

Miss Blutto has Punjab in her grasp, but Sind remains a problem." So goes a line farther back in The Economist.

Sind is the home province of Benazir Bhutto, who recently regained power in Pakistan.

It's good to see Sind back in the news because it recalls the play on words that so delighted diplomats and linguists of a previous century.

Sir Charles James Napier was the British general sent to quell agitation in India in the early 1840s, and in 1843—some say without imperial orders—moved to take the province of Sind, now part of Pakistan.

Nervous diplomats in Westminster awaited the results of the battle of Hyderabad, key to the province. Then came the telegraphed message from Napier: the

single Latin word *pacawi*. The Foreign Office broke into cheers because a knowledge of Latin was the mark of a good education in those days, and because Catholic nuns used that word from the penitent seeking absolution from the confessor. *Pacawi* means "I have sinned."

Napier's message meant, of course, that he had taken the province of Sind. The historical scholar Mark Burryest of New York suggested that the general was sending yet another message: "Because he proceeded on his own initiative, risking overextension of his logistical lines, Napier was both boasting of his victory and modestly apologizing for going beyond his orders with 'I have sinned.'"

You can't get generals using multifarious puns in their messages like that these days.

Waking up the sleepy audience of the Radio-Television News Directors Association, Dan Rather of CBS lit into the "Hollywoodization" of news.

"Thoughtfully written analysis is out, 'five pops' are in," he said. (*A live pop*, also known as a *live stand-up*, refers to the ad-libbing that a broadcast correspondent in the field does on camera after a news anchor introduces the story. When the anchor says, "Now we're going to Charles, who's standing live in the dark where something happened three hours ago, but you can't see it now," the *live pop* is what Charles has to ad-lib because he hasn't come back to the studio to write his stand-up.)

Rather continued: "Hire lookers, not writers. Do powder puff, not probing, interviews. Stay away from controversial subjects. Kiss [political] power with the mass [rhymes with vulgarism], and for heaven and the martyrs' sake don't make anybody mad." Make nice, not news.

The pop that calved his speech to stungists was Rather's complaint that "They've got us putting more *fuzz* and *wuzz* on the air." I was familiar with *fuzz*, defined in Godfrey Irwin's 1931 "American Tramp and Underworld Slang" as "a detective; a prison guard or turnkey. Here it is likely that *fuzz*, was originally 'fuss,' one hard to please or over-particular." But what about *wuzz*? Was this similarity derived from *wuzz*? Patricia Island, president of the National Organization for Women, in commenting a few months ago about Hillary Clinton jokes, told The Boston Globe, "The overall theme is one of Bill Clinton being a wuzz." She probably used this term as if it were synonymous with *wuzz*, unaware of the etymology of *wuzz* as rhyming slang meaning "like a woman" in a derogatory sense.

The CBS co-anchor, obviously drawn to rhyme in oratory, clarified his catchy phrase in a reply to a query from this department. "Fuzz and wuzz refers to police ('fuzz') and dead bodies (was—'wuzz')." In slang, the past tense lives.

New York Times Service

INTERNATIONAL CLASSIFIED
Appears on Page 4

WEATHER

Europe

City	Today	High	Low	Tomorrow	High	Low	W
Alexandria	12/15	11/5	sh	12/15	11/5	ps	
Athens	8/41	2/35	sh	6/43	4/29	ps	
Bahia	17/63	12/54	sh	18/64	12/53	sh	
Bangkok	15/29	8/48	sh	14/52	10/38	sh	
Batavia	8/46	8/41	sh	11/52	4/29	sh	
Beijing	3/27	-1/21	sh	4/28	-1/21	sh	
Bombay	4/29	1/24	sh	6/43	3/27	ps	
Buenos Aires	6/43	4/29	sh	6/43	4/29	sh	
Cairo	18/64	12/54	sh	17/62	10/52	sh	
Dublin	6/43	-1/21	sh	7/44	1/34	sh	
Edinburgh	6/43	4/29	sh	6/43	3/27	ps	
Hankow	10/53	4/29	sh	13/55	7/44	sh	
Hong Kong	4/29	2/21	sh	6/43	3/27	ps	
Houston	3/27	-1/21	sh	4/28	-1/21	sh	
London	16/51	9/41	sh	16/51	9/41	sh	
Los Angeles	20/71	14/61	sh	20/71	14/61	sh	
Madrid	13/55	9/41	sh	13/55	9/41	sh	
Manila	11/52	6/43	sh	11/52	6/43	sh	
Moscow	5/28	3/27	sh	5/28	3/27	sh	
Mykonos	14/57	11/52	sh	14/57	11/52	sh	
Nairobi	12/63	3/27	sh	14/63	7/44	sh	
Paris	14/57	11/52	sh	14/57	11/52	sh	
Peking	3/27	-1/21	sh	4/28	-1/21	sh	
Perth	5/41	1/34	sh	6/43	3/27	ps	
Phnom Penh	3/27	-1/21	sh	6/43	3/27	ps	
Rangoon	4/29	1/24	sh	6/43	3/27	ps	
Rome	12/53	7/44	sh	12/53	7/44	sh	
San Francisco	12/53	7/44	sh	12/53	7/44	sh	
Shanghai	3/27	-1/21	sh	4/28	-1/21	sh	
Stockholm	5/41	1/34	sh	6/43	3/27	ps	
Taipei	14/57	11/52	sh	14/57	11/52	sh	
Tokyo	6/43	3/27	ps	6/43	3/27	ps	
Vancouver	8/46	4/29	sh	12/53	7/44	sh	
Vientiane	4/29	2/21	sh	6/43	3/27	ps	
Warsaw	4/29	2/21	sh	6/43	3/27	ps	
Zurich	3/27	-1/21	sh	6/43	3/27	ps	

Forecast for Tuesday through Thursday, as provided by Accu-Weather.



North America

City	Today	High	Low	Tomorrow	High	Low	W
Boston	24/78	18/34	sh	23/73	16/61	sh	
Chicago	20/70	14/61	sh	21/70	14/61	sh	
Denver	17/62	11/52	sh	17/62	11/52	sh	
Houston	21/70	14/61	sh	21/70	14/61	sh	
Los Angeles	19/68	14/61	sh	19/68	14/61	sh	
Manila	20/70	14/61	sh	21/70	14/61	sh	
Moscow	5/28	3/27	sh	5/28	3/27	sh	
Mykonos	14/57	11/52	sh	14/57	11/52	sh	
Nairobi	12/63	3/27	sh	14/63	7/44	sh	
Paris	14/57	11/52	sh	14/57	11/52	sh	
Peking	3/27	-1/21	sh	4/28	-1/21	sh	
Perth	5/41	1/34	sh	6/43	3/27	ps	
Phnom Penh	3/27	-1/21	sh	6/43	3/27	ps	
Rangoon	4/29	1/24	sh	6/43	3/27	ps	
Rome	12/53	7/44	sh	12/53	7/44	sh	
San Francisco	12/53	7/44	sh	12/53	7/44	sh	
Shanghai	3/27	-1/21	sh	4/28	-1/21	sh	
Stockholm	5/41	1/34	sh	6/43	3/27	ps	
Taipei	14/57	11/52	sh	14/57	11/52	sh	
Tokyo	6/43	3/27	ps	6/43	3/27	ps	
Vancouver	8/46	4/29	sh	12/53	7/44	sh	
Vientiane	4/29	2/21	sh	6/43	3/27	ps	
Warsaw	4/29	2/21	sh	6/43	3/27	ps	
Zurich	3/27	-1/21	sh	6/43	3/27	ps	

Asia

City	Today	High	Low	Tomorrow	High	Low	W
Bangkok	15/29	8/48	sh	14/52	10/38	sh	
Beijing	3/27	-1/21	sh	4/28	-1/21	sh	
Bombay	4/29	1/24	sh	6/43	3/27	ps	
Buenos Aires	6/43	4/29	sh	6/43	4/29	sh	
Cairo	18/64	12/54	sh	17/62	10/52	sh	
Dublin	6/43	-1/21	sh	7/44	1/34	sh	
Edinburgh	6/43	4/29	sh	6/43	3/27	ps	
Hankow	10/53	4/29	sh	13/55	7/44	sh	
Hong Kong	4/29	2/21	sh	6/43	3/27	ps	
Houston	3/27	-1/21	sh	4/28	-1/21	sh	
London	16/51	9/41	sh	16/51	9/41	sh	
Los Angeles	20/71	14/61	sh	20/71	14/61	sh	
Madrid	13/55	9/41	sh	13/55	9/41	sh	
Manila	11/52	6/43	sh	11/52	6/43	sh	
Moscow	5/28	3/27	sh	5/28	3/27	sh	
Mykonos	14/57	11/52	sh	14/57	11/52	sh	
Nairobi	12/63	3/27	sh	14/63	7/44	sh	
Paris	14/57	11/52	sh	14/57	11/52	sh	
Peking	3/27	-1/21	sh	4/28	-1/21	sh	
Perth	5/41	1/34	sh	6/43	3/27	ps	
Phnom Penh	3/27	-1/21	sh	6/43	3/27	ps	
Rangoon	4/29	1/24	sh	6/43	3/27	ps	
Rome	12/53	7/44	sh	12/53	7/44	sh	
San Francisco	12/53	7/44	sh	12/53	7/44	sh	
Shanghai	3/27	-1/21	sh	4/28	-1/21	sh	
Stockholm	5/41	1/34	sh	6/43	3/27	ps	
Taipei	14/57	11/52	sh	14/57	11/52	sh	
Tokyo	6/43	3/27	ps	6/43	3/27	ps	
Vancouver	8/46	4/29	sh	12/53	7/44	sh	
Vientiane	4/29	2/21	sh	6/43	3/27	ps	
Warsaw	4/29	2/21	sh	6/43	3/27	ps	
Zurich	3/27	-1/21	sh	6/43	3/27	ps	

ACROSS

- Understood
- Some tracks
- Rizzo (89 Holman role)
- Spirits
- Acres Anouk
- Significant person?
- Kauli keepsake
- Small person
- Logit
- Caroline Schlossberg, to Ted Kennedy
- Type style; Abbr.
- Big Mama
- Church part
- Rummy variety
- The mark on the G in Cooek
- Calendar period, to Kirk
- Causal substance
- Traditional tune
- Pub quail
- Logical Newman?
- Long-lasting Cule
- Depicts
- Health-food store staple
- Jerry Herman composition
- Dash
- Michelangelo masterpiece
- Journalist Greeley
- Used booster cables
- Tina's ex
- Correspond, grammatically
- Regarded severely
- Pinco
- Former Justice Byron
- At-show mneumons
- Palindromic center
- ESne
- Judge's exhortation
- Pyrite
- Name of 13 popes
- Oscar the Grouch, for one
- Taipei's land
- Hiroshima locale
- Fat fiddle
- Fuzz word
- First name in hotels
- Big rig
- Campanus mill, grp.
- Daughter of Zeus
- Calendar abbr.
- Theology sch.
- Eye
- man (Murley)
- Hooch container
- Magna
- Figurative grp.
- "Oy—"
- out (supplement)
- Hoosier
- Footrace terminus
- Stage actress Hayes
- MS follower?
- Love, Italian style
- Newcastle-upon-England
- ESne
- Judge's exhortation
- Pyrite
- Name of 13 popes
- Oscar the Grouch, for one
- Taipei's land
- Hiroshima locale
- Fat fiddle
- Fuzz word
- First name in hotels
- Common cause for blessing
- Words of comprehension
- Gossip
- "That's disgusting"
- "David Copperfield" character
- High-tech medical diagnostics
- Ten to one, e.g.
- Forensic unit

Solution to Puzzle of Nov. 19

ITS CENTI LOJA
 NIHL INERT PILOT
 TEH IDIA ERICA
 ASTIN DAL PIPAS
 KEEMAN DIPP HST
 EASTMAN ACETATE
 WOUND ARENA
 DINGERGRANT
 CONCH YARNIS
 RESEATS MEDIANE
 ENTIRIAN DELIVES
 ATILT BAIT BIELDS
 RANER BORAS SEE
 EGGER AMINO TUN
 DESK RITPEN AME

CROSSWORD

Down

- French
- time (singly)
- Taipei's land
- Hiroshima locale
- Fat fiddle
- Fuzz word
- First name in hotels
- Big rig
- Campanus mill, grp.
- Daughter of Zeus
- Calendar abbr.
- Theology sch.
- Eye
- man (Murley)
- Hooch container
- Magna
- Figurative grp.
- "Oy—"
- out (supplement)
- Hoosier
- Footrace terminus
- Stage actress Hayes
- MS follower?
- Love, Italian style
- Newcastle-upon-England
- ESne
- Judge's exhortation
- Pyrite
- Name of 13 popes
- Oscar the Grouch, for one
- Taipei's land
- Hiroshima locale
- Fat fiddle
- Fuzz word
- First name in hotels
- Common cause for blessing
- Words of comprehension
- Gossip
- "That's disgusting"
- "David Copperfield" character
- High-tech medical diagnostics
- Ten to one, e.g.
- Forensic unit

"I wonder if the little guy had fun today?"

Sharing the day's events with loved ones back in the States has never been easier. Whenever you're away, simply dial the AT&T access number of the country you're calling from and an English-speaking AT&T Operator or voice prompt will put you through in seconds. You can bill the call to your AT&T Card, U.S. local calling card, or call collect. You'll get economical AT&T rates and keep hotel surcharges to a minimum. It's all part of our continuing commitment to be there for you. Even when you're on the other side of the planet. So surprise someone back home with a call. Who knows? Perhaps they'll have a little surprise for you.



global
 In Europe
 Walk
 Kiosk